

PRINTERS' INK



Registered U. S. Patent Office

**A JOURNAL FOR ADVERTISERS**

VOL. CLXV, No. 9

NEW YORK, NOVEMBER 30, 1933

10c A COPY



# The STEP-FATHER of His Country

ONE of the best-known advertising symbols in America, and perhaps in all the world, is the picture of a small boy pegging shoes in an attic. For years, it appeared as "a standard" in all the advertising of W. L. Douglas Shoes.

After the W. L. Douglas Shoe Company had grown from a dream to be a tremendous reality, Mr. Douglas' picture became his trademark, and has been stamped on the soles of millions upon millions of Douglas Shoes.

From the very beginning, homely sincerity has been the backbone of the great shoe company that bears the name of its founder. Honest prices and honest workmanship have made "America's Great Shoe-Value" a fact as well as a phrase.

Advertising played a great part in the growth of this business. Mr. Douglas was a versatile man. Much of his advertising—imbued with the straightforward strength of his fair policies—was planned and written by himself.

Now, N. W. Ayer & Son, Inc., has been delegated the responsibility for the advertising of Douglas Shoes. Sales are stepping out.

## N. W. AYER & SON, Inc.

*Advertising Headquarters*

WASHINGTON SQUARE, PHILADELPHIA  
New York      Boston      Chicago      San Francisco      Detroit      London

*It is not the dollar spent in advertising — it is the Idea behind the dollar that does the work: this is the principle, put into practice, that builds business for the customers of Federal Advertising Agency.*



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444 MADISON AVENUE, NEW YORK  
TELEPHONE: ELDORADO 5-6400

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# PRINTERS' INK

NEW YORK, NOVEMBER 30, 1933

## This Week

NOW comes the Food and Drug Administration to present its views of the **Copeland (nee Tugwell) Bill**. PRINTERS' INK asked Professor Tugwell to write this article in answer to the one appearing on these pages last week in which our own position was set forth. He was willing enough but suggested that it would be more appropriate to have the writing done by Chief Campbell. And thus is presented a clear statement of the Administration's position. Mr. Campbell, be it known, is the "continuing bureaucrat" who will have charge of the enforcement of whatever law is passed—probably in succeeding administrations as well as in this. He has held his present position since 1927 and has been connected with the enforcement of the present Food and Drugs Act since 1907, the year it became effective.

\* \* \*

It was a Scandinavian country that, in the days of another experiment, stood before American eyes as an exemplar of governmental control—but that time the control was the control of liquor. And now a Scandinavian nation pioneers in the **control of currency**; and, without knowing much about it, we Americans hear much of the **Swedish system**. How Sweden controls her currency in accordance with the domestic values of commodities is told by Baron Johan Liljencrants, of the Swedish Chamber of Commerce of the U. S. A.

\* \* \*

Meanwhile, as we look at Sweden's money, a Britisher looks at ours; and from the editorial desk of the *London Economist*, Sir Walter Layton sees it as not all to the good. Without condemning

the Administration's efforts to boost commodity prices by depressing the dollar, Sir Walter studies our industries' consumers and concludes that "**more buying power must come**, or prices will drop."

\* \* \*

But, funny as our money may seem, **our beer has not turned sour**. In PRINTERS' INK of Nov. 9, an observer of the brewing scene set it down as his belief that the brewmasters' merchandisers had been so slow in the *kopf* that the brewmasters' brews have acidified in the vats. And ever since that crack, tap-rooms from coast to coast—so it seems—have reverberated with angry and umlauted protests; and this week a brewery executive brings to these pages the brewers' yeasty answer.

\* \* \*

And, speaking of answers and reactions, the statistical Roger Babson started something, too. Back in September, in PRINTERS' INK, Mr. Babson quite casually remarked upon the disinclination of unemployed salesmen to work on commission. And *that* remark has given rise to what amounts, practically, to a convention in which nearly a dozen of our readers take the floor on **Commission or Salary?**

\* \* \*

Not the three little wolf-defying pigs, but someone long before them invented the theme song. And now there are theme songs in just about everything. There's one—so we are assured, solemnly, by Edmund E. Burke—in the task of **finding and developing new products**. Its title is: "Get the Facts!"

\* \* \*

**Herr Doktor Goebbels** has shown a deep interest in advertis-

ing ever since the Nazis took control of Germany. Last week he issued some new rules for governing advertising. These are particularly pertinent now that American advertising interests are preparing their own code.

\* \* \*

For several years the Federal Trade Commission has been compiling data on chain stores. Recently it released some unusually interesting figures on **mass retailing in small towns.**

\* \* \*

There was a very definite reason why Blackstone Cigar broadcasts were shifted from New York to Boston. The sponsors are now getting a plus value by getting 2,800 people a week to see the broadcasts as well as hear them.

\* \* \*

Sometimes the best that can happen to a company developing a new product is to have it **imitated by competitors.** At least that's the way Multibestos felt when it used full-page space to congratulate the competitor on following its lead.

\* \* \*

**Agency appointments** by Lentheric, Hudnut, O'Cedar, United Drug, Johnston Candy. \* \* \* Slaterry's, Boston department store, uses **confidence-breeding copy.** \* \* \* **New Scotch package** makes unusual record in men's wear field. \* \* \* **Four A's and A.N.A.** add to membership. \* \* \* **Drug Institute** appoints committee to investigate Tugwell Bill. \* \* \* **Grigsby-Grunow** announces expanded advertising and selling plans.

## C O N T E N T S

Here Is Administration's Position on Copeland Bill.....	6	No Marked Falling Off in Coupon Inquiries.....	60
WALTER G. CAMPBELL, Chief, Food and Drug Administration		More Buying Power Must Come or Prices Will Drop.....	61
A Republican Chides Us.....	12	SIR WALTER LAYTON, Editor, <i>London Economist</i>	
Gold, Commodity or Baloney, Dollars Now Buy More.....	16	Magazine Publishers to Censor Liquor Advertising.....	65
How to Find and Develop New Products.....	17	When a Competitor Follows You, Advertise Him!.....	68
EDMUND E. BURKE		More Chain-Store Figures from Trade Commission.....	70
Beer Has Not Turned Sour.....	25	Chain-Store Sales for October.....	74
BY A BREWERY EXECUTIVE		Purpose of Design Patents.....	76
Managed Currency and How It Works in Real Life.....	32	HERBERT W. GEDIMAN, Member of the Bar of the District of Columbia	
BARON JOHAN LILJENCRANTS, of the Swedish Chamber of Commerce of the U. S. A.		Editorials.....	84
Herr Goebbels Issues His Rules Governing Advertising.....	37	The Little Schoolmaster's Classroom.....	88
Network Sponsor Gets Plus Value from Broadcasts.....	45		
Commission or Salary?.....	51		

# The HIGH VISIBILITY of COLOR

**C**OLOr advertising in The New Yorker has a way of being highly visible.

The fact that upon occasion there is a great deal of it only seems to promote its visibility.

Perhaps the reason there is so much of it is that advertisers believe that The New Yorker deserves their best and strongest appearance in print—and because they believe that color in The New Yorker is a way of putting their best foot forward.

Certainly their advertisements in The New Yorker possess a rare distinction. And, mirabile dictu, in this not very good year of 1933, The New Yorker has carried 20 per cent more color than in 1932!

There isn't any finer color printing anywhere.  
And there isn't any better place for an advertisement in color.

THE  
**NEW YORKER**  
25 WEST 45th STREET  
NEW YORK CITY

# Here Is Administration's Position on Copeland Bill

And Now Advertisers Who Oppose It Will Know Exactly What They Have to Fight

**I**N this article Mr. Campbell seeks to clear up what he believes to be certain misconceptions regarding the proposed new Food and Drugs Act. His assertion that the framers of this bill have no pride of authorship and that it will be radically revised will be welcome news to publishers and advertisers. It will be noticed, however, that he insists upon retaining certain objectionable provisions. This is Mr. Campbell's story, however, and *PRINTERS' INK* is allowing him to tell it in his own way. It is a straightforward statement about what the Administration concedes and doesn't concede—what it wants and doesn't want. As such it will help advertisers and others more intelligently to frame their policies concerning it. The article has the written approval of Professor Tugwell, as is shown by a signed statement from him appearing on page 10.

By Walter G. Campbell

Chief, Food and Drug Administration

**T**HE amount of misinformation disseminated about the contents, purposes and effects of the Copeland Bill, Senate 1944, is prodigious. In this respect history is merely repeating itself. When Doctor Wiley was fighting for the passage of the original Food and Drugs Act, nearly thirty years ago, the same situation existed. In fact, Doctor Wiley's opponents are now discovering a sudden and amazing affection for the present law.

It is my purpose to attempt to correct some of the extremely prevalent misunderstandings about the Copeland Bill. I feel encouraged to do this because I have discovered in recent critical articles appearing in *PRINTERS' INK* a willingness to recognize that there are "certain flagrant abuses in the manufacture and merchandising of food, drugs, and cosmetics," and a willingness to admit that the Food and Drugs Act should be strength-

ened in order to "put the merchandising of foods, drugs and cosmetics where it ought to be."

This attitude is refreshingly at variance with that characterizing the totally obstructive opponents.

One of the prevalent misunderstandings about the Copeland Bill is that it will make the Secretary of Agriculture an autocratic dictator, and that there will be no appeal from his decisions. Nothing is further from the truth. It is true that authorities have been conferred upon the Secretary that exceed those that were conferred in the existing law. But the grant of such authorities has been within narrow limits. The rights of manufacturers are fully protected.

Any attempt on the Secretary's part to exercise the authorities thus conferred in an arbitrary or capricious manner will not be sustained by the courts. The courts unquestionably have the power to review

# Are Your Sales UP in Milwaukee?



**I**N ITS monthly analysis of business activity measured by bank debits, Sales Management magazine continues to show Milwaukee among the brightest of the "Bright Spot Cities." Milwaukee's rating is not only *above* the national average but far above *all* other cities of equal or greater size.

As compared to last year, check transactions in Milwaukee showed gains of 18% in August, 12% in September, 13% in October and 13.2% in the first half of November.

Your sales should be *up* in Milwaukee and The Journal is the *only* newspaper you need use to put them up. Investigate this market!

**THE MILWAUKEE JOURNAL**

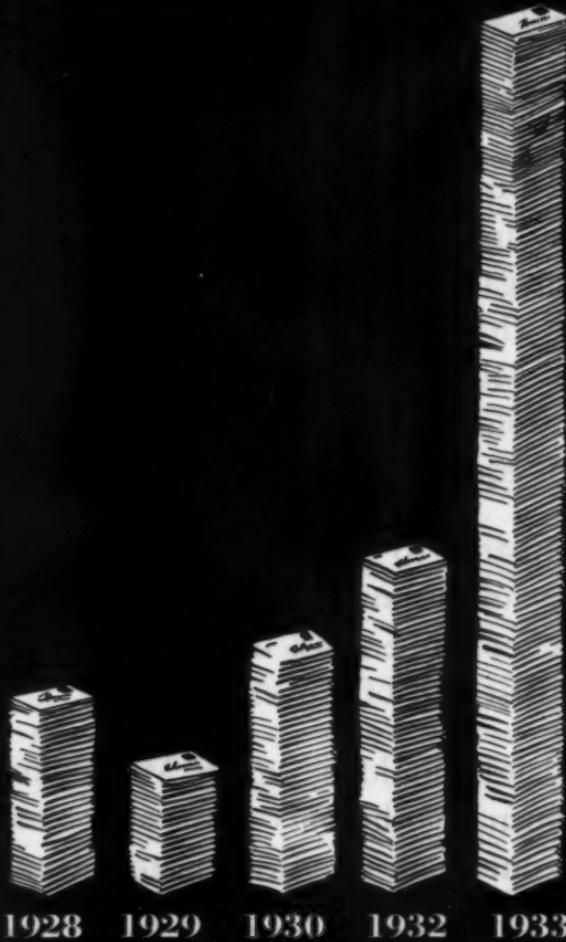
FIRST BY MERIT

NATIONAL REPRESENTATIVES . . . O'MARA & ORMSBEE, Inc.

NEW YORK CHICAGO DETROIT LOS ANGELES SAN FRANCISCO

Nov. 30, 1933

Requests to continue  
**SOCONYLAND SKETCHES**  
*Sponsored by*  
STANDARD OIL COMPANY OF NEW YORK, Inc.



*Once during each of the years shown a simple request was made to secure listeners' opinions. In 1931 a booklet was also offered... therefore, that year is not included.*

BATT  
New Y



---

**"Wonder if it's time we changed our radio program?"**

**"Well, they say that when an advertiser begins to get sick of his copy, the public's just beginning to see it. Take Socony—every year they ask their audience if they want a change in the program. Every year the audience says 'No.' This year they asked them again—on the same stations—and got *three times* as many letters as last year."**

**"Must be a good show. Who's their agency?"  
"BBDO."**

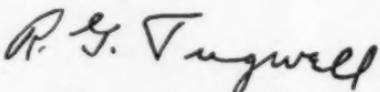
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**MR. CAMPBELL AND THE COPELAND BILL**

Walter G. Campbell, Chief of the Food and Drug Administration of the United States Department of Agriculture, has worked for more than a quarter of a century to improve the food and drug supplies of the United States. Tremendous improvement has been made. The grave abuses still existing are the result of developments that could not have been foreseen when Congress passed, and Dr. Harvey W. Wiley began enforcing, the Act of 1906.

The pending Copeland Bill covering food, drugs, and cosmetics is a modern and practical measure—an outgrowth of the actual enforcement experience of Mr. Campbell and his associates.

It is designed primarily to protect consumers. At the same time it is drawn in the interest of honest manufacturers and retailers, whose trade ethics now are too often determined by the practices of an unscrupulous minority.



*Assistant Secretary of Agriculture.*

every section of the bill and every regulation promulgated under it.

Another persistent delusion is that the new bill prohibits self-medication. Patent medicine manufacturers cling almost hysterically to this delusion. They state mistakenly that the new law will prevent self-medication or even the treatment of minor bodily disorders in the home.

The Copeland Bill does not put a stop to self-medication. If this were its object, certainly those who drew it up would not have gone to so much trouble to insert provisions requiring that the medicines with which the consumer treats himself be honestly labeled and safe. The Copeland Bill aims to protect the public in using medicines, not to prevent it from treating minor ills at home.

I do not believe that the Federal Government can or should ever attain that degree of paternalism where it can dictate to the people to the extent of prescribing how they shall treat every-day ailments. Our national spirit of independence and individualism would revolt against such a Governmental attempt.

The proposed new Food and Drugs Act, like the old, is predicated upon the basic assumption that people will continue to medicate themselves in future as they always have in the past. The new law merely seeks to give those people who treat their own ills a maximum of protection against the worthless or harmful nostrum, and provides that they shall have at least as much information about the potent ingredients of the medicine with which they treat themselves as a doctor would have if he prescribed for them.

Certain provisions in the new bill which are causing considerable excitement have been the law of the land, as applied to food and drug labels, for almost thirty years. One of these provisions is Section 6, which provides that a food, drug, or cosmetic shall be deemed misbranded "if its labeling is in any particular false, or by ambiguity or inference creates a misleading impression regarding any food, drug or cosmetic."

This provision, except for its inclusion of cosmetics, is no broader than the present law. Nearly ten years ago the United States Su-

preme Court, in interpreting the general misbranding provision of the Food and Drugs Act, said: "The aim of the statute is to prevent that (deception) resulting from indirection and ambiguity, as well as from statements which are false."

The highest court's interpretation of the present statute has merely been incorporated in its own language in the new bill. This language neither adds to nor takes away from the meaning of the present statute. It merely serves to clarify. As interpreted by the Supreme Court, this provision has not proved a handicap to honest industries.

Another misunderstanding about the proposed bill is that it will make the Department of Agriculture a high-powered censor, demanding that all advertising copy be submitted in advance. This is entirely erroneous. The new bill does require that publishers and broadcasters supply the names and addresses of those placing advertisements, but it does not hold them liable, further than this. Some publishers and advertisers seem to feel that the bill authorizes the Department to prosecute an advertising medium if the Department should elect *not* to request the names and addresses of those placing the advertising.

Immediately after this fantastic interpretation made its first appearance, Assistant Secretary Tugwell disavowed such an intent on the part of the Department and expressed its willingness to have clarifying modifications made in the language of the section involved.

Some opponents of the bill, (most of these particular opponents are to be found in the patent medicine industry), are leveling their shafts at Section 9(b) which states that "an advertisement of a drug shall be deemed to be false if it includes (1) the name of any disease for which the drug is not a specific cure but is a palliative, and fails to state with equal prominence and in immediate connection with such name that the drug is not a cure for such disease."

Critics of this measure say that it is generally recognized that there are comparatively few specifics. That being the case, why, they ask, is it right to compel the manufacturer to adopt "negative advertising" if his medicine is a palliative and not a specific?

The lay public does not know that there are comparatively few specifics. The patent medicine industry has been highly successful in convincing the public, through advertising, that there are specifics for all known ailments. Are not readers of patent medicine advertisements quite generally under the impression that they are buying specifics, rather than palliatives? The industry itself is largely responsible for creating the necessity for qualifying therapeutic claims so that the labels will tell the whole truth.

Another criticism is that "prohibiting any advertisement statement that a specific has any effect upon a list of well-known ailments seems as unreasonable as to prohibit a physician from prescribing for them."

This criticism leaves out of consideration the fact that such advertising is prohibited only for those diseases wherein self-medication is *especially dangerous, or patently contrary to the interest of public health.*

Objection has been made that there is no general agreement of medical opinion by which to measure the truth or falsity of curative claims for drugs. In the case of a brand new discovery, before the medical profession has had time to test its merits, this might be true. If there is no general agreement of medical opinion, it follows that the claim is not contrary to it, and is, therefore, not proscribed under the language of the new bill.

The procedure followed by the Food and Drug Administration is simple. The staff first finds out the ingredients of the drug, and then consults hundreds of representative practitioners throughout the country who are experienced in treating the disease for which claims are made, to learn their in-

(Continued on page 80)

# A Republican Chides Us

Anyone Who Agrees with President Roosevelt, It Seems, Is a Democratic Publicity Agent

NEW YORK CITY  
*Editor of PRINTERS' INK:*

On page seventy-three of the current issue of *PRINTERS' INK*, you have an editorial comment on Dr. Copeland's recent address before the Association of National Advertisers. It is obviously the comment of a Democratic partisan.

On page eighty-six of the same issue, you have an editorial that might have been written by a publicity agent of the Democratic party.

In many other instances, in other issues of your paper, you have shown the same bias.

Did it ever occur to you that many of your readers do not share your own enthusiasm for President Roosevelt and his associates?

Did it ever occur to you that many advertising men disagree sharply with Mr. Roosevelt's theories? They are convinced that what Mr. Roosevelt calls his recovery program is actually hindering a natural process of recovery. They feel that Mr. Roosevelt's mind is dominated by a group of communistic radicals whose destructive advice will result in the waste of enormous sums of the taxpayers' money.

By the way, did you ever happen to hear a group of communistic college professors discuss advertising? Do you know what would become of the advertising business, and of publications like *PRINTERS' INK*, if their ideas were carried out?

Getting back to your habit of coloring the contents of *PRINTERS' INK* with your own political prejudices, do you think that a publication devoted to advertising is the proper place for such propaganda? Why not leave politics to the newspapers?

It happens that the owner of the advertising agency with which I am associated is an ardent admirer of Mr. Roosevelt. He is big enough and decent enough, how-

ever, not to take advantage of his position—he never tries to impose his personal opinions on the members of his staff.

Couldn't you be a good sport and follow his good example? Wouldn't *PRINTERS' INK* have a wider appeal to all advertising men if you resisted the temptation to take advantage of your opportunity for spreading political propaganda?

Speaking of good sports, I wonder if you are fair-minded enough to publish this protest in *PRINTERS' INK*?

CLARENCE STONE.

[The editorial comment about Dr. Copeland which offends Mr. Stone—and also the editorial giving Mr. Carroll Merritt's impressions of a visit to Washington—were written by a life-long Republican.

But what has that got to do with support of an able and earnest President in his efforts to solve a great national emergency?

Mr. Stone's case is pretty weak. But inasmuch as he asks us to print it, we are willing to oblige him.

No element of sportsmanship or fair-mindedness is involved here, though. The columns of *PRINTERS' INK* are always open to the presentation of the other side of any matter that interests our readers.

By the way, Mr. Merritt writes us that "I expect to get a good riding from my Republican friends *apropos* the current *PRINTERS' INK* editorial, but that's the way I feel." We doubt very much that anyone will attempt to ride Mr. Merritt—a Republican of Republicans—for his courageous, fair-minded and helpful expression.

The whole episode reminds us of a letter written to *Time* by one Richard P. Raseman, of Bloomfield Hills, Mich., who objected to a criticism of Walt Disney's *Three Little Pigs* in that publication. It was his idea that both *Time* and Mr. Disney were on the payroll of the Common Brick Manufacturers' Association—to the disadvantage of the straw board and lumber interests!]



B. Altman & Company placed a 450-line advertisement in The New York Times Thursday, Nov. 9, describing a rare and beautiful Serapi carpet—the only one of its kind in the world. Price \$3750.

Before noon that day, Altman received a check for \$3750 from a Times reader who had purchased the luxurious Serapi.

We do not tell this little success story to marvel that The New York Times produced a customer for Altman or that Altman sold a fine rug. The Times advertising columns produce thousands of customers for all kinds of goods every day and it is part of Altman's daily business to sell quantities of fine merchandise.

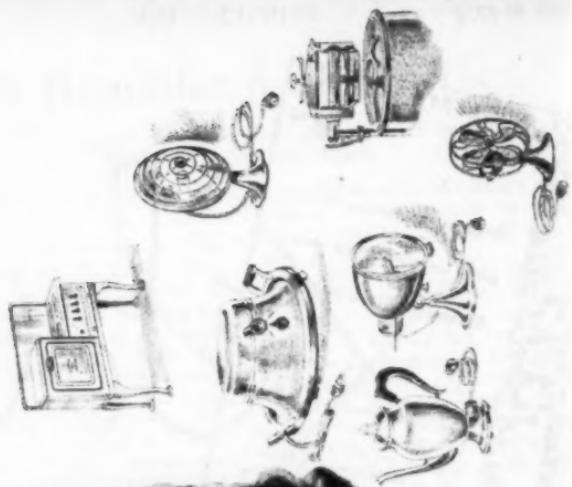
The significant point is that there exists a large and profitable market for quality merchandise. Price is no barrier to the retailer or manufacturer who can satisfy the tastes and needs of the discriminating—if only he announces his wares to the right audience.

**The New York Times**

superior furniture above advertised, desire for modern homes, concentrate in the American.

chan who advertised "You furnish the bride, we'll furnish the home"—and to all advertisers who will furnish the house—

wee



**we**

# furnish the bride

chiant who advertised "You furnish the bride, we'll furnish the home"—and to all advertisers who seek to sell the younger housewives:

We hereby agree to furnish "the bride".

This advertisement submits proof that the younger, modern housewives in Chicago read the American. The evidence comes from advertisers themselves.

Chicago's retail dealers in electrical appliances find their best market among modern housewives. They concentrate their advertising in the American.

Makers and distributors of radios, selling to every income level, concentrate in the American.

vertiaces furniture stores no  
desire for modern homes, con-  
centrate in the American.

All these Industries, and others, use more space in the American than in any other Chicago daily newspaper.

The American serves the largest market reached by any Chicago evening newspaper—over 425,000 homes. These families will spend \$530,000,000 for merchandise in the next 12 months.

No manufacturer who seeks the buying response of alert, younger families can successfully carry out a sales and advertising operation in Chicago without making liberal, consistent use of the Chicago American.

# CHICAGO AMERICAN

a good newspaper

Now in its THIRTEENTH YEAR OF CIRCULATION LEADERSHIP in Chicago's evening field

National Representatives: Rodney E. Boone Organization



# Gold, Commodity or Baloney, Dollars Now Buy More

To Allay the Public's Fears about the Consequences of Inflation, Slattery's, of Boston, Runs Confidence-Building Copy

FROM the points of view of the economists and the politicians, there are dollars that are gold-backed and dollars that are indexed to commodities and dollars that are made of baloney.

From the point of view of the consumer, there is but one kind of dollar—if any—and that's the kind he spends. And whatever be its technical components, it buys more goods than it used to buy.

Thus goes the theme of newspaper advertising signed by Slattery's, Boston store.

The Slattery headline counsels Bostonians: "Don't Worry About Your DOLLAR!"

Despite talk about inflation and despite the fact that it sells at a discount in international exchange, says the Slattery copy, the American dollar still commands high esteem at home. Price rises have been based "primarily on the sound foundation of increased demand through better wages, shorter hours, more employment, and the restriction on imports."

A table reveals the comparative purchasing power of the dollar of today as compared with the dollars of 1924 to 1930.

This year's dollar buys slightly less than last year's, the text goes on, but only "because of the pitifully small wages paid to sweatshop labor, and because of the bankruptcy sales of thousands of concerns."

And the \$4,160,000 in Christmas Club savings that will be paid to

Massachusetts' thrifty savers this month "are good dollars." "Use them," the copy urges, "to fill your normal needs and wants, and they will make more dollars for you

## Don't Worry About Your DOLLAR!

[N spite of all the talk about inflation and while it is true the American dollar is selling at a discount in International Exchange markets it is still at a premium in our own country. Whatever rise in prices has occurred has been based primarily on the sound foundation of increased demand through better wages, shorter hours, and more employment, and by the restriction of imports on foreign goods.

Actually, your dollar today will buy more merchandise than in any of the most prosperous years. The index of wholesale prices compiled by the Bureau of Labor based on 704 commodities shows that today your dollar will buy:

38% more than in 1924	38% more than in 1927
47% more than in 1925	37% more than in 1928
41% more than in 1926	36% more than in 1929
33% more than in 1930	

While it is true that the purchasing power of the dollar last year was slightly higher than it is today, that is because of the pitifully small wages paid to sweatshop labor, and because of the bankruptcy sales of thousands of concerns.

This month Christmas Club depositors in Massachusetts will receive \$4,160,000. They are good dollars. Use them to fill your normal needs and wants, and they will make more dollars for you, and for all others through return toward prosperity.

**Slattery's**  
Opposite Boston Common

*Convincing statistics are used in this newspaper advertisement to quell any fear about the dollar*

and for all others through return toward prosperity."

The E. T. Slattery Company's president, P. A. O'Connell, in discussing the advertising his firm is doing, tells PRINTERS' INK:

"In view of the wide-spread and unreasoning fear in the minds of the consuming public, it seems as if something should be done at once to show the people that thus far, at least, their money has great purchasing power if it is used to buy goods in the United States.

"The truth is that, with the exception of 1932, the dollar is worth more today in domestic trade than it has been for eighteen years."

# How to Find and Develop New Products

Fundamental Questions That Should Be Answered Before Additions to the Line Are Finally Accepted

By Edmund E. Burke

**S**CARCITY of orders has prompted all of us to look around for something new to add to our line. Much of this has been done intelligently but a much greater portion has not. As a result, we now find a vast confusion in manufacturers' products.

The majority of the ill-advised selections of new products never reach the attention of the public generally. They nevertheless exact a huge toll in dollars and human energy. I know of scores of such unfinished ventures—the identity of which cannot be revealed for obvious reasons. Along with these there are some projects which fail to mature commercially because of conditions impossible to foresee.

The main object of this article is to set down and discuss a few fundamental points to be considered in any product search or development program. Observation of these will save many dollars and considerable worry.

## *Qualifications for Product Search and Development Work*

Large companies frequently have departments which devote all their time to finding and perfecting suitable new products. These companies have selected men on this work and provide them with all necessary facilities to carry it on. But the small and medium size manufacturer cannot afford this. Either the president himself or one of his immediate associates is generally held responsible.

The man for this work should have both imagination and an acquisitiveness for detail. He must first be able to size up a proposition broadly and he must literally be a hound for facts. Action based on hopes and guesswork is probably the most fatal of all efforts

in the work of product selection.

Too frequently manufacturers attempt to fill a million dollar void in unused capacity with a quarter million dollar item. Various sources of information must be run down, each of them carefully weighed and discounted and then checked against one another. One must be guided by an intelligent appraisal of all available facts—and not by hopes.

If it is a competitive article, what are the sales of these competitors? Their names, addresses, and other pertinent information may be obtained from manufacturers and trade directories, credit rating books, etc. The sales of one or more of them are apt to be known from published financial or operating statements. Number of employees, value or volume of raw materials used and other key information is often available not only for these companies but also for the industry as a whole.

If properly used, the Census of Manufactures is very helpful. Principal difficulties sometimes encountered in its use are incomplete returns, overlapping of figures due to a variety of products being made by one manufacturer, and the product classification being too coarse. In some cases a correction factor can be applied to the total figures—determined by a comparison of a territorial portion of the census figures with figures of known accuracy for the same territory obtained from some other source.

## *By All Means Call on Prospective Users*

No matter what your own conviction may be, consult several or several hundred or as many as necessary of those people who are going to use this new article. If you must ask leading questions di-

rect them toward criticism rather than commendation.

If at all possible, subject the market to an actual test by placing the article or machine in the hands of users. This may be impractical in the case of an expensive machine not yet beyond the drawing board. But this only emphasizes the need of intimate, impartial inquiry into the prospect's requirements.

#### *Trend of Market*

Determination of the trend of any particular market unavoidably involves some speculation. Habit, utility, fancy and sheer inertia all play a part in fixing what people will or will not buy five or ten years hence. Of these, utility can be most easily measured with any degree of accuracy. But many articles of unquestionable superiority from the utility standpoint have been unsuccessful because they did not satisfy the habits and fancies of the buyers closely enough. At times these habits and fancies can be broken down by aggressive sales effort but this is ordinarily a long and expensive process.

Some years ago I investigated a braiding machine which had a very high output and a number of other advantages over existing machines. Its sale was directly dependent on the demand for the braid which it produced. This braid was then used largely for shoe and corset laces, for ornamentation of dresses, stand and floor lamps and the like. Some of the changes which have now taken place on all these items were then just appearing in isolated places and it was decided to abandon the project. Oxfords and pumps have now largely displaced the former high tops and ankle height shoes; corsets have been so redesigned that they require little or no lacing; women's dresses are no longer heavily ornamented affairs; a good share of the lamp shades are now made of parchment. The market for braided lace for these items has practically disappeared.

Another interesting situation arose in the case of a company making ice scoring machines. The large 300 pound blocks of ice leav-

ing the ice plant were passed through this machine which scored or sawed shallow transverse slots properly spaced in the block so the driver on the delivery wagon could quickly "pick" off a uniform rectangular piece of whatever size was required. The demand for this new scoring machine was instantaneous and widespread.

The sale of these machines was just being developed into a nice business when occasional reports of the installation of mechanical refrigerators in homes began to drift in. The possible serious effect on the artificial ice industry and the sale of ice scoring machines was apparent and the manufacturer of these machines decided to study the situation carefully.

That study resulted in the decision to sell the business and look for a new product with a definite upward market trend. This decision proved to be wise but ill-timed. As home refrigeration units were improved and lowered in price, manufacturers of artificial ice were compelled to adopt the advantages of scored ice to retain as much business as possible. Further, the extensive advertising and sales efforts of the makers of mechanical units made the public conscious of the food savings and other advantages of refrigeration in any form. The demand for scoring machines increased somewhat and was sustained for quite a long period after the advent of the mechanical unit.

#### *What Is the Patent Position?*

The patent situation is another item of major importance. It must first be determined whether or not the new article can be manufactured and sold without infringing any existing patents. Secondly, is it patentable and if so, just how basic or broad protection is likely to be obtained?

In many cases, one or more patents have already been obtained on the article in question. Whether this is true or not, an infringement study must be made, as the existence of a patent is no assurance of its validity or that the manufacture of an article as described in that patent will not infringe on some

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# *Undisputed Leadership in Food Advertising*

*In the first ten months of this year*

- **THE CHICAGO DAILY NEWS**  
Carried 73,609 Lines **MORE FOOD ADVERTISING**  
than the Daily Tribune, the Daily Herald-Examiner and the American Combined—and—
- **1,022,573 Lines MORE than the Sunday Tribune and Sunday Herald-Examiner Combined**

## **Grocery Linage in Chicago Newspapers**

*First 10 Months of 1933*

	Retail	General	Total
<b>THE DAILY NEWS</b> .....	<b>903,079</b>	<b>661,645</b>	<b>1,564,724</b>
AMERICAN.....	319,556	468,142	787,698
DAILY TRIBUNE.....	141,054	387,762	528,816
SUNDAY TRIBUNE.....	105,535	161,228	266,763
DAILY HERALD-EXAMINER.....	102,005	79,596	174,601
SUNDAY HERALD-EXAMINER.....	28,636	246,747	275,383

*Authority: Media Records, Inc.*

# "*Vox Fabulae in Deserto*"

## GAINS RECRUIT

\* (FICTION to you!)



Nondescript Latin, no doubt, but interesting news.

In a wilderness of service magazines, uplift periodicals and "publications with a purpose", COSMOPOLITAN's voice alone has been raised in praise of FICTION as a forceful advertising medium.

Safe in the knowledge that "the love of good stories is the common meeting place of all intelligent minds", we waited patiently for other voices to join us in spread-

ing the gospel.

Into the fold of those who appreciate the value that sticks to a good story we are glad to welcome the Saturday Evening Post (according to its own advertisements beginning in its issue of November 18, 1933.)

Advertisers who share the avowed faith of these magazines in the advertising value of fiction need go no further in their search for mediums that sell goods.

So we can publicly state what we have long privately believed—that the backbone of almost every list should be the world's finest woman's magazine, the world's largest weekly, and Cosmopolitan, the world's greatest monthly.

*Hearst's International*  
combined with  
**Cosmopolitan**  
57th STREET at 8th AVE., NEW YORK

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other patent. A popular misinterpretation is that the owner of a patent has the sole right to make, use and sell that invention. This position is true only if the practice of the invention does not infringe any other existing patents and the patent is valid. The mere granting of a patent by the patent office does not assure either of these.

Some idea of the patent situation may be obtained by filing an application on the article in question. The nature of the examiner's reply and the references cited frequently give valuable preliminary information. Infringement may be immediately shown or, on the other hand, it may be indicated that infringement is unlikely and in addition that there is a good chance of getting strong patent protection.

If it is found that the article in question does infringe existing patents, it may be possible to purchase these or to make a license arrangement for their practice. Such negotiations are generally best handled through a third party, who need not reveal the purchaser's identity and who can often obtain a more favorable price. If the infringed patents have been assigned to companies, these companies are generally more familiar with patent values than are inventors and will be more reasonable in their demands. On the other hand, established companies will seldom part with any of their patent rights if there is any remote possibility of this affecting their current business or hampering any future developments.

In any event, every reasonable precaution should be taken to avoid infringement. Many promising developments have had to be stopped almost at completion, and even established businesses wrecked because of failure to avoid patent infringement.

#### *Is the Competitive Position Favorable?*

A relatively non-competitive position can be reached in a number of ways. Principal among these is thorough patent protection which was discussed in some detail above. Another is the employment of

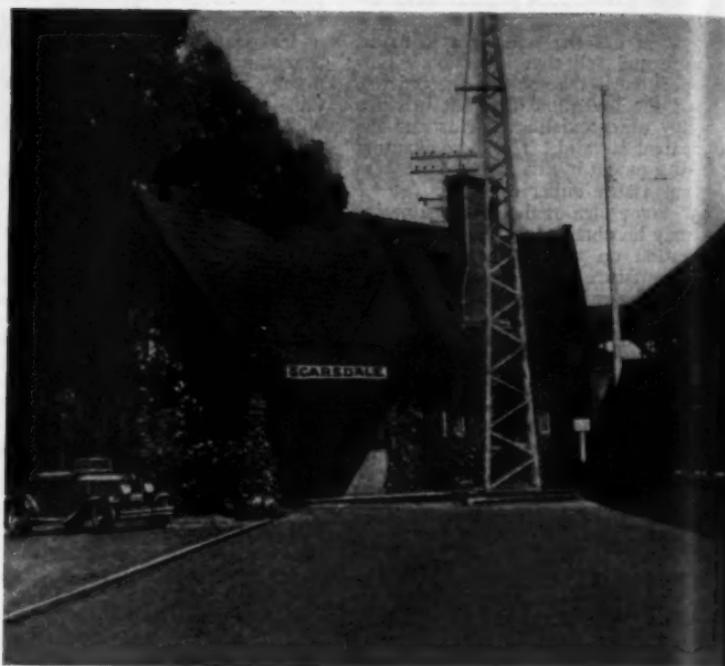
secret methods or processes which permit the manufacture of a better or less expensive article (or both). Sometimes manufacturers reach a highly favorable competitive position by surrounding themselves with the finest technical and designing talent available. Frequently unique sales and merchandising methods bring about a relatively non-competitive position.

In considering this phase of a new product venture, emphasis is again placed on the necessity of conservatism. In the final analysis everything is competitive; if not by a similar article, then by the substitution of an entirely new or different material or method. Any new and profitable business will be closely observed by others who will try to break into that field. Though these newcomers do not have the background and the experience of the established company, their entry and establishment is made easier because of their opportunity to observe the methods and mistakes of the pioneer.

Illustrations of the development of competition from unexpected quarters are found on every hand. Wood was long accepted as the only suitable material for furniture; today both steel and aluminum are extensively used. Composition boards made of gypsum and corn and cane stalks have supplanted plaster, wood and metal in many applications in the building field. Rayon is now used for many items of clothing for which silk was formerly thought indispensable. The development of brushless shaving creams has greatly reduced the number of shaving brushes used. The recent perfection of synthetic plastic materials is giving grave concern to a number of industries. These plastics are being used in place of clay for dinnerware, in place of hard rubber for electrical insulation parts, in place of metal and cork for bottle and other container closures, in place of glass for jars, tumblers and the like.

Comparable changes always have been and always will be taking place. Patents, secret processes, highly efficient organization, un-

Nov. 30, 1933



# The Truth About Scarsdale

To all familiar with New York, Scarsdale is an ultra-exclusive suburb . . . mentioned in low tones by merchandising men and with bated breath by special buyers. Chicagoans compare it to Lake Forest; Bostonians to Needham; Clevelanders to Shaker Heights; San Franciscans to Burlingame.

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**SO . . . The New York Evening Journal sent trained investigators into this hot-bed of aristocracy to find out exactly what is what.**

To those who believe that their merchandise appeals to Scarsdale residents, the result is nothing short of startling.

To those who have no merchandise to sell, the wide divergence in Assessed Valuations furnishes 15 minutes of unalloyed interest.

To both groups, the study is offered for inspection upon request.



# NEW YORK JOURNAL

**New York's BEST READ, and therefore,  
most INFLUENTIAL evening paper**  
NATIONALLY REPRESENTED BY RODNEY E. BOONE ORGANIZATION

usual technical ability—none of these alone nor all of them in combination will be sufficient to withstand them. Make up your mind at the start that there will be competition—and plenty of it. The total possible sales must be discounted liberally to allow for competition which cannot be foreseen. If other companies are already making the same or a similar article, they must be conceded a liberal portion of the total sales.

### *Can We Make and Sell It Profitably?*

The sale of every article is predicated upon a price which buyers are willing to pay and for which it can be profitably manufactured and sold. Sometimes the manufacturer is in the fortunate position of being able to choose between a limited market with a high unit profit or a much larger market with a modest unit profit. If the former course provides sufficient volume, it appears the more attractive of the two. It is, however, an open invitation to competition. Users and prospective competitors alike are quick to recognize a wide disparity between cost and selling price and they will put forth every effort toward finding some new method or material to supplant this costly item. A selling price should be selected which will net a profit but it should not be so high as unnecessarily to invite competition.

More frequently the selling price is pretty well fixed by that of

competing articles. The problem then is to determine whether or not it can be profitably manufactured and sold at that price. Manufacturing cost must be built up by a detailed summation of all items of material, labor and burden. Initial engineering and development expense should be absorbed by a selected reasonable number of units. To all of this, administrative and selling costs must be added.

This cost-building process may involve nothing more than straight arithmetic—or it may be fraught with estimates and guesswork. If the merit of the article is dependent on a different and cheaper method of manufacture, that method of manufacture, should be tried out under as near commercial conditions as possible. Money spent in converting guesses into tangible facts is certainly to be characterized as well invested.

### *Get the Facts*

These three words might well be the theme song for anyone entrusted with a new product search or development program. Answer the broad fundamental questions discussed above and run down all important ones related detail to a satisfactory conclusion. Talk to prospective buyers and if possible test the market in a small way. Reduce estimates in your calculations to a minimum and accept no unsupported guesses. And finally, get the facts—or the facts will get you.

### **With New York "Times"**

H. S. Woodman, formerly with the New York *Evening Journal*, and the headquarters staff of the Hearst Newspapers, has joined the local advertising staff of the *New York Times*.

### **Snowden Joins "Today"**

John W. Snowden, formerly with the Condé Nast Publications for eleven years and later with *The Sportsman*, has joined the advertising staff of *Today*, New York.

### **Johnston Candy to Ayer**

The Robert A. Johnston Company, Milwaukee, chocolates, candies and chocolate products, has placed its advertising account with N. W. Ayer & Son, Inc.

### **Textile Publications Merge**

*Rayon and Melton Textile Monthly*, with headquarters at 303 Fifth Avenue, New York, is the new name under which the two publications represented in the combined name, is now being published, following their consolidation.

### **Hudnut to B. B. D. & O.**

The Hudnut Sales Company, Inc., New York, Hudnut toilet preparations, has appointed Batten, Barton, Durstine & Osborn, Inc., to direct its advertising account.

### **Has O-Cedar Account**

The O-Cedar Corporation, Chicago, has placed its advertising account with Roche, Williams & Cunningham, Inc., advertising agency of that city.

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## Beer Has Not Turned Sour

At Least This Is the Claim of Some Leading Brewers, Who Object to a  
PRINTERS' INK Article

**S**EVERAL brewers have taken violent exception to the article "Beer Turns Sour," in PRINTERS' INK, November 9. Just last week a group of brewers meeting in New York City decided that the article needed answering. Before this meeting, however, an executive of one of America's leading breweries had written the reply printed here. When he outlined it to the group of brewers they agreed that it represented their attitude.

### By a Brewery Executive

**I**N the November 9 issue of PRINTERS' INK there is an article entitled "Beer Turns Sour."

To one who is familiar with conditions in the brewing business, both before Prohibition and at present, a doubt arises as to the author's experience both in breadth and time.

In the first column of the article this statement appears: "But in August something happened; at what should have been the height of the season beer sales fell off."

Taking the industry as a whole, the actual sales of beer in the United States during the months of July and August show:

July	2,687,077 barrels
August	2,906,708 barrels

These figures would indicate that, taking the industry by and large, the month of August showed an increase. And this in spite of the fact that during the years before Prohibition, sales for July were ordinarily somewhat higher than in August. Beer, this last summer, ran contrary to the days before Prohibition insofar as July and August were concerned.

What happened was that along about mid-summer, the large breweries of pre-Prohibition days, began to make themselves felt, and, to a great extent, began to profit through old-time brand strength and present-day quality. The New England brewery referred to in the previous article began to suffer when the great brewing concerns

really got under way, and when the general public, getting over its first mad rush for beer, began to develop a discriminating taste and to search out quality.

Coming to the second column of the article, we find this statement: "True, consumption in the winter months averages only one-third of the warm weather figures."

In the year 1915, which was one of the large years of the brewing industry and one of the last before the industry began to suffer from interference resulting from the war, the largest sales were in July, when the mark of 6,126,166 barrels was reached. The smallest month was January, with 3,557,820 barrels. The reduction was not down to 33½ per cent, but only down to 57 per cent.

Then we come to the interesting statement in reference to beer "actually turning sour due to too much aging."

Here's the reply to that: During April and May the country was clamoring for every possible barrel of beer that could be shipped. The writer of the article under discussion states that in July "beer could not be turned out fast enough."

Now, in view of these facts, anyone at all familiar with the brewing business would realize that there is no danger of beer turning sour in such a short period of time in any reasonably well-equipped brewery.

The article refers next to the

slashing of prices and states that "while a common price for a barrel of beer is \$15, distributors are buying it today as low as \$10."

This is true to a certain extent. The beer business is no different from the candy, milk, clothing or any other businesses. We always have with us certain individuals who because of lack of quality, lack of brand demand or proper sales organization, or just through sheer cussedness must and will depend upon only one sales method—price-cutting. However, this element does not represent a large percentage of the gross production. While there has been some adjustment in prices, it is not proper to apply it to the industry in general. Rather it applies to those whose position has not been sufficiently strong for them to maintain prices in competition with the better establishments distributing more popular brews.

#### *Public Turned to Standard Brands*

With the return of beer, there was a peculiarly naive attitude expressed by many individuals whose experience in the brewing business was at best limited. This was the idea that there would not only be an immediate rush for beer, but that this rush would go on indefinitely and would be spread out impartially over all brands. To the experienced merchandiser this theory must be patently fallacious. What happened was the normal thing—as the standard brands began to make their presence felt, the beer-drinking public began to turn to those brands.

The article refers to the price of bottled beer, which it states has dropped from \$1.45 to as low as \$1.15. This also is true, but only to a limited extent. As a matter of fact, there is really a great deal of bottled beer which brings a good bit more than \$1.45 a case. All of the country's large shipping brewers are maintaining a dealer price considerably higher than \$1.45.

Reference is made to the "abuses in connection with placing of signs on retail establishments." Undoubtedly, an occasional brewer,

through lack of experience and an undue desire to get distribution at any cost has been guilty of such practice. But this does not constitute a general menace. It is comparable to what goes on in any industry. In one of the largest States, in which about 25 per cent of the total beer in the country is sold, the practice of placing outdoor signs is prohibited entirely. And it is in the matter of outdoor signs that the greatest expenditure is involved.

As to the "gentle art of commercial bribery" in the brewing industry, one must conclude that the writer of that article has come in contact with only organizations of mushroom growth. These will either pass out or mend their ways. The sound and experienced brewer who knows his costs and watches the cost of selling cannot and will not countenance such wasteful practices. There are some men in the business who will pay extravagantly for co-operative advertising or locations. But the number of brewers who are willing to do this is so small that one is not justified in making a general observation.

As further proof of lack of preparation preceding the writing of the article, we see the statement that when Prohibition became effective "several hundred millions of dollars in dispensing equipment installed in retail stores, but carried on the books of the brewers, because it had never been paid for, had to be sold for junk."

It is true that in certain sections of the country the brewers either put in bar fixtures or had loaned money on them. But "several hundred million dollars" is a great deal of money. "Several" would indicate something more than two—so, taking the smallest possible number, we must assume the author means \$300,000,000 at least.

If we set the average price of these individual fixtures at \$2,000, we are setting a high average. But even at that we would have 150,000 locations thus set up and "owned" by the brewers.

The total number of retail licenses issued in 1919 amounted to

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# 87,000

*Alert executives  
want to know not  
only what Business  
Week's *Alert* editors  
have to tell them,  
but what its *Alert*  
advertisers have to  
sell them. Have you  
an important mes-  
sage for them?*



Nov. 30, 1933

only 107,851,\* and not all fixtures in all these locations were owned by the breweries. The statement made in the article was therefore at least somewhat ill-advised.

When we read of the beer salesman earning \$25 to \$40 a week, transferring his following from brewery to brewery as his whims dictate, we feel sure that our author has come in contact with breweries only recently started and not experienced in the business. It should be obvious that the brewery possessing real brand strength, developed through years of advertising, does not find its business carried around in the vest pockets of \$25 to \$40 a week salesmen.

In passing, may we note an error in another statement: "We have always been a hard liquor people"?

Facts are to the contrary. As far back as 1850 the average per capita consumption of "hard liquor" in this country was 2.23 gallons. By 1916, this had dropped to 1.39 gallons of hard liquor per capita. And during 1916, the consumption of beer averaged 18.14 gallons per

\*This figure was obtained from the Bureau of Industrial Alcohol, and covers all retail liquor dealers. Many of these dealers were "retail liquor stores" and had no bars at all.

### United Drug Account with Street & Finney

The United Drug Company, Boston, has appointed Street & Finney, New York, as its advertising agency. This agency previously handled this account from 1917 to 1931. United Drug's Jantel line of toiletries will be a large feature of its advertising for 1934. Magazines, farm papers, newspapers, radio, displays and direct mail will be used.

### Appoints O'Dea Agency

The International Maté Company, Inc., New York, recently re-organized, importer of the popular South American beverage, has appointed Mark O'Dea & Company, New York, as advertising counsel. Magazines and newspapers will be used to advertise the product, which is sold under the trade name, Joyz Maté.

### C. F. Berry in New Work

Clinton F. Berry has joined Field & Company, Detroit investment house. He is a former president of the Financial Advertisers Association.

capita. This does not warrant the statement that we are a "hard liquor" people.

During all these years, too, the alcoholic content of beer was being reduced until the average throughout the country by 1916 and 1917 was only slightly above the limitation now imposed by law.

The experience of the brewing industry since last April seems to bring out this conclusion: There is nothing at all the matter with the industry. It is re-acting very much like all other American industries. Quality is meaning more to the American buying public than mere price.

Advertising and brand building are already commencing to assert themselves against other devices designed to secure and hold business. Aggressive, ethical sales forces, operating along sound, wholesome and approved lines are fully justifying themselves and demonstrating their value. Business is best for the firms well equipped with production facilities and experience to make a superior product, and which have the financial strength and the experience to permit of going along on sound lines in the building of permanent business through the development of brand strength.

### Made Publishing Director, "Business Week"

Glenn Griswold, formerly publisher of the *Chicago Journal of Commerce* and, prior to that, financial editor of the *Chicago Tribune*, has been appointed publishing director of *Business Week*.

Dwight M. Mills continues as advertising manager and will be in direct charge of advertising sales.

Additional selling strength being added to the advertising staff of *Business Week* includes the expansion of its research as well as its direct advertising sales efforts.

### Lentheric to Geyer-Cornell

The advertising account of Lentheric, Inc., New York, Lentheric toilet articles and perfumes, has been placed with the Geyer-Cornell Company, New York.

### With Fletcher & Ellis

C. E. Staudinger, previously with the Joseph Katz Company, has joined Fletcher & Ellis, New York advertising agency.

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## Irresistible Youth

EL PASO, TEXAS

*Editor of PRINTERS' INK:*

There is something inexpressibly poignant to us who are now forty in Robert F. Allen's letter.\* Only yesterday, it seems, we were his age. And they handed us a world war. Then, young, ill-prepared, unsettled, we were shoved headlong into that mad decade, 1919-1929, when the world was just as chaotic and wrong in another way as it is today.

We had learned to do without money before 1917, for there was none then, either. In the crazy twenties we made money faster than was good for us. We learned to live without work, on a scale of unimaginable luxury and splendor, on the proceeds of mass folly. We hadn't made the world. We took it as we found it and thought it was good. Some of us were millionaires at thirty-five. It was we who made the speak and played the fool.

We had no one to guide us, but it was all our fault. The older generation couldn't advise us, for the times were unprecedented in the memory of man. We wouldn't have listened anyhow. We were handed one kind of chaos and we created another.

So the youth of today seeks self-expression, a chance to be heard, a voice in the New Deal as befits its incalculable stake in the future? So did we. We demanded recognition. It was denied us, just as it is denied you.

Older generations, since the beginning of time, have feared the

restless upward surge of youth. And youth's idealism, as well. We laugh at the ambition of the young, but it is a hollow and mirthless laugh for we are almost frantic with fear of you.

In 1915, after four years of college, I worked for \$3 a week to get a toehold from which to crowd fiercely at the heels of mature men above me. Today I hang on with grim desperation. Perhaps I'll be forced back to the \$3-a-week status by one of your generation, Mr. Allen, who has what I have lost to the remorseless years.

Middle age, shamefully, despises youth. Despises and envies it. Despises and fears it. So the true answer to your plea for understanding and a chance, all you Mr. Allens, is the same we heard a decade or so ago, the same as was handed the youth of Imperial Rome:

"Ask no favors from us, we've none to give. Make your own way. Make yourself heard. As you come in, we must go out, and we want to hang on as long as we can. We made a mess of things. You will, too, when your turn comes. We could give you good advice, but you don't really want it after all. You prefer to make your own mistakes, just as we did. The world we were born into and trained to live in fell toppling about our ears as this one is crashing about yours. Good luck and godspeed, youngsters! We dare not even give you sympathy, for if we get soft we're lost. Our grip is weakening. We'll hang on as long as we can and then fade out with the same bad grace our elders showed us. Next!"

B. W. LEWIS.

\* "Talking to the 6,000,000 Rulers,"  
PRINTERS' INK, October 26, page 12.



### Dodge Adds to Staff

Oscar E. Mittelstaedt is now assistant director of advertising of the Dodge Brothers Corporation, Detroit. He held a similar position with Dodge from 1915 to 1922.

Allan S. Heaton is now assistant director of merchandising. He has long been engaged in the field of automobile merchandising.

### Goodyear Appointment

The Goodyear Tire & Rubber Company, Akron, has appointed the Electrograph Company, Detroit, to handle its truck tire advertising.

Erwin, Wasey & Company will continue as the principal advertising agency of Goodyear, handling the balance of Goodyear products including passenger tires.

from Stores that Feature Products



**THIS ADVERTISEMENT**  
is the 3rd of a series  
now running in met-  
ropolitan newspapers  
to make your adver-  
tising in Good House-  
keeping still more  
profitable

# TRUST from Stores that feature Products Guaranteed by GOOD HOUSEKEEPING

*Everywoman Magazine*

HERE is a young matron who is purchasing today the things her tastes and needs require. Not only because she wants them—it is good sense to buy now.

She will tell you that she is able to choose the right clothes, cosmetics, furnishings, table delicacies, soaps and toothpaste, because before shopping she selects the products she needs from the advertising pages of Good Housekeeping.

She depends on Good Housekeeping because every product advertised in it is guaranteed—her experience has proved that she can take its long-established guarantee at its full value. It is trustworthy.

She knows that the merchandise it guarantees has passed rigid analyses and tests by impartial specialists who work solely in her interest.

She knows that associated with Good Housekeeping in this guaranty are America's most important manufacturers.

You will learn—as she has—that merchandise advertised in Good Housekeeping gives you your money's worth.

You will find that the store which features merchandise advertised in Good Housekeeping is progressive and reliable—is doing its best to serve you well. In short, it is a good place to buy.



# Managed Currency and How It Works in Real Life

Swedish System, Bringing Monetary and Price Stability, Is Not "Just Printed Money"

FROM J. C. Lowe, president, Canadian Laco Lamps, Limited, PRINTERS' INK has received the following inquiry: "Can you refer us to any articles on the managed currency of Sweden that is incidentally referred to in the last paragraph of the article you have in your November 2 issue, 'Controlled Economy as It Works Out for Consumer'?" This is typical of a number of letters received from executives who reflect the tremendous current interest in managed currency. An excellent summary of the Swedish system was published in *Trust Companies Magazine*, from which it is reprinted by permission.

By Baron Johan Liljencrants

Of the Swedish Chamber of Commerce of the U.S.A.

ON September 27, 1931, Sweden, under the pressure of the prevailing crisis of confidence which had drained her gold and foreign currency reserves, suspended gold redemption of her currency and thus went off the gold standard. Exactly one week earlier, the same step had been taken by Great Britain, Sweden's largest single customer. In the ensuing situation it would have been natural for Sweden as a small nation to cast her lot with Great Britain as the then leading nation with a non-gold currency, and peg the krona to the pound sterling. That course was followed by Denmark after abandoning the gold standard at about the same time as Sweden. It would in a sense have been a very convenient course, since large Swedish export and import contracts, not only with Great Britain but also with other European nations, customarily are written in pounds sterling. Indeed, it was very generally and persistently believed, even in American banking circles, that Sweden had adopted just that expedient. But such was not the case.

Instead of endeavoring to peg her currency to that of any other nation, immediately upon suspending gold payments Sweden adopted

an independent monetary policy aiming at the maintenance of the domestic purchasing power of the currency while letting foreign exchange rates take care of themselves. Sweden thus embarked on a policy of managed currency in which the actual currency basis was the domestic value of commodities. Except for a few days in November, 1931, in order to co-operate with other Scandinavian nations in an attempt to prevent the pound sterling exchange from rising above par of the krona, no attempt was made in the early days of the new policy to regulate the rates of foreign exchange.

Even if Sweden should have desired to effect such regulation, its foreign exchange holdings had fallen to an extent precluding the bolstering of the krona by sales of foreign exchange. By the end of September, those holdings had dwindled to 32,500,000 kroner as against 331,100,000 kroner one year earlier, and they continued to fall almost uninterruptedly, reaching, on November 21, a low for the year 1931 of 19,200,000 kroner.

The situation furthermore was aggravated by the prevailing difficulty of discounting export bills abroad. The krona fell to an average of about 86 per cent of its

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gold value in October, and to 70 per cent in December, 1931. At the same time, the depreciation, in relation to gold of the pound sterling, proceeded first at an even higher rate, and in October sterling was quoted about 7 per cent below par of the krona; subsequently it approached parity and even rose above it for a brief period.

#### *More Accurately Tuned to Real Values*

It should be clearly understood that the managed currency policy of Sweden does not provide an artificial currency subject to arbitrary manipulations in order to suit purposes other than those stated in the policy. On the contrary, under proper management it provides a means of exchange more accurately attuned to real values and less subject to foreign influences, than a gold currency. One essential difference between the two is that the managed currency expresses the value of indispensable commodities on the domestic market, while gold currency expresses an arbitrary, artificial value on the international market of a metal which is practically valueless as an article of consumption.

The Swedish managed currency is not "just printed money," for it is secured by assets of international value. According to Swedish law, the Bank of Sweden, which is responsible directly to the parliament, is the sole bank of issue in the nation, and its right to issue bank notes is limited to a volume not exceeding twice its gold reserve, plus notes to a value of 250 million kroner. In a national emergency it may receive the joint permission of king and parliament to issue additional currency to a value of 350 million kroner. For any note issue above the amount of the gold reserve, the bank must hold supplementary cover, consisting of Government securities, certain bonds listed on foreign exchanges, gold in transit or earmarked abroad, bills of exchange, net assets in foreign banks, or credits secured by the Government paper or bonds mentioned above. The law therefore requires the entire

issue to be covered partly with gold, partly with negotiable securities or credits secured by such. These provisions were not rendered inoperative when Sweden suspended gold payments; they still remain in force and apply to the managed currency.

In September, 1931, the currency in circulation was 594.4 million kroner and the gold reserve, 198.6 million kroner, 197.2 million kroner being issued against eligible securities or credits. Only minor changes in circulation and gold reserve occurred until the end of February, 1933, the gold reserve remaining practically constant at about 206 million kroner, and the note circulation fluctuating between 526 and 612 million kroner. In March, 1933, the Bank of Sweden changed its policy and began to increase its gold reserve which reached 340.3 million kroner in July. At that time, the note circulation was 546.7 million kroner, or less than twice the gold reserve. At no time under the present policy has the Bank of Sweden had recourse to the emergency provision for additional issue, and during this entire period has actually maintained a gold reserve in excess of the required currency cover.

#### *Variations of the Discount Rate*

At the beginning of the year 1931, the discount rate of the Bank of Sweden had been 3½ per cent, and was reduced to 3 per cent early in February, to afford relief to business suffering under the depression and also to check the influx of capital from abroad. Increasing demands for foreign currency made it necessary to raise it to 4 per cent toward the end of July, and when Great Britain increased its discount rate in connection with abandoning the gold standard, Sweden followed suit, establishing a rate of 5 per cent on September 21 and of 6 per cent on September 25. That was, therefore, the rate prevailing at the time when Sweden abandoned the gold standard.

In connection with that action, the Bank of Sweden, on Septem-

ber 27, increased its discount rate to 8 per cent. That increase was intended as a check on such speculation in goods and exchange as might follow in consequence of the altered currency situation, and as a confirmation of the intention of the Bank of Sweden to maintain the internal purchasing power of the currency. It was not long, however, before the directors of the bank felt assured of the absence of any tendency to speculation of the kind indicated or to a general rise in prices, and after the lapse of only a little more than a week, the rate was reduced to 7 per cent and on October 19, to 6 per cent, at which level it remained until again reduced on February 19, 1932.

In order to carry out its monetary policy intelligently and with due precision, the Bank of Sweden besides its regulating mechanism found itself in need of a more delicate indicator of variations in the domestic price levels and in the situation on the commodity market, than that provided by existing indices. In order to fill this need, the bank elaborated its own weekly index of the average level of retail prices. This index is based on data gathered from fifteen representative localities, concerning the retail prices of the more important commodities and services entering into general consumption. Its immediate purpose is to give a collective expression of the average purchasing power of the currency in the hands of the consumers, and it is so devised that the prices for each week are expressed in percentage of those for the immediately preceding week and are thus directly comparable with the latter. A modification, however, arises from the fact that data on prices of household furnishings, clothing, services, etc., are received monthly instead of weekly, and those on rent, quarterly or yearly.

In order that the index may reflect the more accurately, conditions prevailing at any given time, a certain latitude is provided in the choice of commodity or service items for the index, so that those which are chosen at the time are of actual importance. Also the

weights attached to the different individual price items from which the average is computed, are changed in accordance with every considerable change in the items of consumption, so as to reflect the actual tendency in consumption. A second index series has been worked out which makes possible a direct comparison with regard to prices of any given week with those prevailing immediately before the suspension of the gold standard. These indices are complemented with additional statistical data intended as a basis for analysis of price developments.

#### *Results of the Managed Currency Policy*

As formulated in September, 1931, the Swedish currency policy has on the whole been eminently successful in its aim of maintaining the domestic purchasing power of the currency. First of all, it should be noted as a rather remarkable fact, that the rise of nearly 44 per cent in the krona exchange rates of gold currencies, which took place in the three-months' period immediately following the inauguration of the policy, affected Swedish commodity prices only to a small extent. Two outside factors contributed largely to that end. Because of the depreciation of the currencies of such important customers as Great Britain, Denmark, Norway and Finland, export prices rose only slightly, not 2 per cent, in the period from September to the end of December, 1931. Due to rapidly falling prices in the gold nations as well as to the previously mentioned fact that Sweden's import contracts were extensively written in sterling, there was but a moderate increase in import prices, amounting to 13 per cent in the same period. The price level of domestic goods remained practically unchanged throughout the period, with a slightly declining tendency in December.

In that period, there was only an insignificant rise in the general wholesale level, retail prices remaining virtually constant, while the cost of living declined slightly.



## We Open the **TOWER KITCHEN**

**T**HE finest newspaper kitchen in America"—so say they all who've seen this new Free Press enterprise. Here, under the direction of Marion F. Sawyer, all recipes appearing on Free Press food pages are tested. In the adjacent Auditorium, special classes for business women have a waiting list. All for what? That food product advertising in this newspaper shall be given outstanding co-operation . . . that the complementary editorial content of the Free Press shall have no superiors.

**The Detroit Free Press**

Nov. 30, 1933

The new retail price index of the Bank of Sweden, based on the September, 1931, price level as 100, showed a gradually proceeding change from 99.39 for the week ending October 17, 1931 to 100.06 for the week ending January 2, 1932. This is striking proof of the retail price stability attained under a managed currency system.

A certain adjustment of the policy took place in 1932. According to one school of thought, wholesale prices should be stabilized. According to the other, they should be allowed to rise to an extent consistent with an approximately unchanged cost of living, such a development being desirable in order to stimulate business without inviting inflation.

In January, 1932, the Government announced its adherence to the latter point of view in a statement by the Minister of Finance, which also recommended a stabilization of the international value of the currency as soon as conditions should permit. In May, that year, a revised monetary policy was formulated and adopted by the Bank of Sweden. The original policy had been aimed mainly at avoiding inflation; the revised policy stressed the desirability of a certain moderate recovery in wholesale prices, in the interest of production, whereby the price system, distorted by deflation, would become partially adjusted and the relation improved on the one hand between prices and on the other, wages and costs.

#### *Only Slight Fluctuations in Wholesale Prices*

In its revised form, the policy has been at least partially successful. Swedish wholesale prices fluctuated only slightly in 1932 and at the end of that year stood at about the same level as when the gold standard was abandoned. Between January and June of the present year, however, there occurred a slight decline which nevertheless did not exceed 4 per cent of the average level for the year 1932 and from which a decided recovery appeared in July.

While the aim of preventing a

fall in the wholesale price level therefore on the whole has been fairly successfully achieved, the policy so far has failed in bringing about a partial inflation of the wholesale prices. But no extraordinary measures have been taken to realize that aim. There has been extraordinarily little change in the retail price level, while at the same time the cost of living has fallen gradually by a little over 3 per cent in the period from October, 1931, to July of the present year.

#### *The Effect of World Conditions*

Under the world conditions which have been prevailing, an increase in the production of commodities could hardly be expected. The general production index fell from 93 for the year 1931 to 87 for the year 1932, which latter figure seems to have been maintained approximately in the first half of the present year. Unemployment also increased in 1932, and in that respect, the figures for the period, January to May of the present year are higher than the corresponding figures for 1932. These facts, however, can hardly be taken to indicate a partial failure of the Swedish monetary policy. It should be borne in mind that the full force of the depression did not begin to be felt in Sweden until the second quarter of 1931, and it remained active there after it had begun to spend itself in the countries where the depression first appeared. Again, the Swedish industries are to a large extent producing for export, making them dependent upon foreign demand, and the Swedish industrial production is therefore less amenable to domestic policies than is that of nations with a predominantly domestic market. On the other hand, the Swedish industries producing chiefly for domestic consumption, show better sustained production and fuller employment than do the export industries. In its relation to industry, a managed currency policy naturally has its greatest effect in maintaining those industries which produce for the home market.

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# Herr Goebbels Issues His Rules Governing Advertising

Some Thoughts, and Perhaps Some Warnings, for American Advertisers as Washington Code Hearings Begin

**I**N the midst of all the talk about possible United States Government interference with advertising, it is interesting to contemplate how the Nazi government in Germany is telling advertisers and publishers what they must do—and making them like it. The appended wireless message to the *New York Times* from Berlin tells of the latest rules promulgated by Dr. Goebbels, minister of public enlightenment and propaganda. Some of these regulations contain elements that are not as bad as they sound; and a consideration of them is *apropos* now that American advertising interests prepare to go to the mat in Washington on December 7 to fashion a working code.

**B**ERLIN, Nov. 23.—Having a short time ago regimented the editorial management of German newspapers and periodicals. Dr. Paul Joseph Goebbels, the indefatigable Minister of Public Enlightenment and Propaganda, now also has taken charge of their advertising columns—and the advertising trade in general.

The Werberat (propaganda bureau) created by him issued a decree today laying down uniform standards for column width, for line measurements, for commission charges, for publication of "true" circulation figures and many other regulations. The Werberat's status and scope is not clearly understood by German newspapers, but there is not on that account any hesitancy in accepting its edicts as authoritative and binding.

These edicts were in part foreshadowed for sensitive observers by the recent publication in German newspapers, metropolitan and provincial, of identical full-page display advertisements setting forth the profitability and the necessity of advertising in newspapers. They were not particularly striking in make-up or text. The striking thing about them was their unprecedented uniformity, and it now develops that this was due to the fact that matrices were supplied by the Propaganda Ministry.

The decree is another device of

the new régime to gear up German business and the new regulations imposed on advertising bear the announcement that they are designed above all to aid smaller business enterprises in advertising their wares through the press.

For this purpose it is directed that beginning January 1 small newspaper advertisements must be limited to two widths. This is to enable advertisers to send like matrices to papers throughout the Reich. There are about 6,000 publications so this is considered no small boon to the advertisers.

Different standards of line measurement also are abolished. Charges hereafter must be made on a millimeter scale. German newspapers never have had em measurements.

Individual publishers are still allowed to determine their advertising rates, but they are required to publish these in printed form and they are forbidden to grant special discounts from such published rates in excess of a maximum of 20 per cent.

"To put an end to falsehoods about circulation" they are also required to print in each issue a sworn statement of the number of copies printed in the last issue, or, in the case of daily newspapers, the average daily printing in the preceding month.

Two forms of price reductions are provided. One is for repeats,

# Two Famous created by Theatru

**MR.  
GLENCANNON**  
*of the  
S. S. Inchcliffe Castle*

Unknown a few years ago, Mr. Glencannon, Scotch inside and out, is more famous today than many "celebrities" in the flesh. Millions follow him and the tramp, "Inchcliffe Castle," as they find droll adventure in foreign ports. Every day the editorial mail is full of re-orders for Glencannon.



THE SATURDAY EVENING POST has unique ability to create nationally known character... Fictional character that folks enjoy to follow... Product character that they want... and buy. Millions know Tish, Mr. Tutt, Charlie Chan and Tugboat Annie in the Post. Millions first met their clocks, automobiles and refrigerators there,

The Post will go on creating fictional characters that you know, like and remember. And the Post will go on creating actual characters for quality products — products you may buy, make or sell!

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**THE SATURDAY EVE**

"AN AMERICAN INSTITUTION"

# you Characters

## The Saturday Evening Post



### BIG BEN

*and 100,000,000  
timepieces*

*The Western Clock Company authorizes us to say:*

"Big Ben was born in the Post and raised by the Post. Beginning in 1910, we used the Post exclusively for five years. Every year for 23 years, the Post has been the largest factor in our advertising.

"And, we have sold more than 100,000,000 Westclox timepieces since we began advertising in the Post."

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**THE POWER THAT BRINGS NATIONAL REPUTATION TO AUTHORS AND LIFE TO THEIR CHARACTERS IS THE SAME POWER THAT GIVES NATIONAL REPUTATION TO ADVERTISERS AND LIFE TO THEIR TRADE**

**SATURDAY EVENING POST**

AMERICAN INSTITUTION™



which ranges from 3 to 20 per cent. Price cuts for space are somewhat complicatedly scheduled. In some cases a maximum discount of 20 per cent is reached with 80,000 millimeter lines, in others with only 40,000.

Advertising agents also will pass under Government control. Pub-

lishers will be allowed to accept business only from "authorized" agents. Commissions which advertising agents will be allowed to charge vary from 10 to 20 per cent.

As a concession to pending advertising contracts on a different basis, these are allowed to run until June 30, 1934.



## Books That Should Be Written

BRISTOL-MYERS COMPANY  
NEW YORK

*Editor of PRINTERS' INK:*

While I am very much interested in the lists of best books on advertising which you are collecting, I would be even more interested in a list of the unwritten books now needed by advertising men.

I think that many advertising men would like to see concise, constructive books on more business-like lines than much of the advertising literature available today. Why don't you collect lists of books that advertising men would like to have?

As illustrations, I should like to see someone start where the Young Report left off, and build something constructive in the way of a sound, economic system of agency organization, and a rational plan of agency functions.

I should like to see in the same or another book a clear definition of the functions of an advertising manager, and some sort of practicable system for choosing advertising agencies on a more business-like basis than we have to work from today.

Still a third book is needed to clearly define the uses, possibilities, and limitations of consumer studies and analytical market investigations generally. As yet no one seems to have written up this subject in a concise form which would make it possible for the business man to find out easily what types of useful information he could gain from present methods of market study, how precise the results will be, and how much reliance he can place on the conclusions obtained.

LYMAN CHALKLEY, JR.



### Represent Getchell

J. Stirling Getchell, Inc., advertising agency of New York and Detroit, has appointed two Pacific Coast representatives. J. B. L. Lawrence, of the R-K-O Hollywood Studio radio department, has been appointed Southern California representative, with offices in the Bendix Building, Los Angeles. William H. Mason, assistant city editor of the San Francisco *Examiner*, has been appointed Northern California representative, with offices in the Russ Building, San Francisco.

### New York "Mirror" Adds Three

The New York *Daily Mirror* has made the following additions to its national staff: I. L. Donnelly, formerly with the Scripps-Howard Newspapers; E. F. Sexton, formerly with the S. C. Beckwith Special Agency, and J. V. Keegan, formerly of the International Magazine Company.

### Heads Philadelphia Sales Managers' Group

John A. Stevenson, of the Penn Mutual Life Insurance Company, Philadelphia, has been elected president of the Salesmanagers' Association of Philadelphia. Other new officers are: George W. Keller, Brown Instrument Company, vice-president; J. LeRoy Smith, W. B. Saunders Company, treasurer, and Howard G. Ford, W. H. Hoedt Studios, Inc., secretary.

### Mogge Joins Thompson

Norton W. Mogge has resigned as advertising manager of the United Prune Growers, to join the San Francisco staff of the J. Walter Thompson Company. At one time he was with the California Fruit Growers Exchange, later taking charge of the advertising of Skookum apples. He also was advertising manager of the Northwestern Fruit Exchange and vice-president of the Northwestern Fruit Distributors.

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## Going Old-Fashioned

*Spicy*

**GINGERBREAD**

Made with Old Fashioned Molasses

1 cup Colonial Molasses      1 teaspoon soda  
2 tablespoons sugar      2 teaspoons ginger  
1/2 cup butter and lard      1 teaspoon cinnamon  
1/2 cup warm water      1 teaspoon salt

Cream butter and lard, add sugar, molasses and warm water; mix well. Mix and sift soda, ginger, cinnamon, salt and flour and add to first mixture. Bake one hour and pour into well-buttered pan. Bake in oven over even runway-five minutes.

# Colonial

COLONIAL MOLASSES CO., Inc. 816 West Avenue Brooklyn, New York

**EXTRA FANCY  
MOLASSES**

THE thought occurred to the Colonial Molasses Company that inasmuch as people's interest in things old-fashioned is now being stimulated, old-fashioned food dishes would tie-up admirably with this trend. Molasses is an ingredient in many old-fashioned dishes and as a result current advertising of this company is featuring recipes for such dishes as Spicy Gingerbread, Old-Fashioned Cookies, Baked Beans, Boston Brown Bread. The brand name, "Colonial," in it-

self carries a connotation that made this type of appeal especially effective.

Advertisements which have just been released on a year's schedule in Eastern cities and which are contemplated for other spots as quickly as distribution warrants, offer a free recipe booklet containing thirty-five recipes using molasses.

Plans for the offer of a premium, such as a cookie jar, are also being made.

### Campaign for Merchandise Mart

The Merchandise Mart of Chicago is starting an advertising campaign that will be placed by Erwin, Wasey & Company, Chicago. For the first time in the history of the Mart an important national magazine schedule will be added to a list of trade publications.

### T. D. Mathes with Mathes Agency

Thomas D. Mathes, formerly with The Expello Corporation of Dover, N. H., has joined the production staff of J. M. Mathes, Inc., New York advertising agency.

### Warden Returns to "Printers' Ink Monthly"

Sidney C. Warden, for five years with the Chicago office of the PRINTERS' INK Publications and since then advertising director of the *Rotarian*, has re-joined the PRINTERS' INK organization. With headquarters at Chicago, he will do special advertising sales work on PRINTERS' INK MONTHLY.

### Joins Schenley Distillers

Julius Sack has been appointed sales promotion manager of the Schenley Distillers Corporation, New York. He was formerly in charge of advertising for the RKO theaters in Brooklyn, N. Y.

Nov. 30, 1933



THE SHADOW OF A MAN STANDS

BEH

LET'S sneak up on the shadow that stands behind every buying wife, and take a closer look at him. He is important, for besides influencing the choices of his wife, he pays the bills. *Can he afford to pay for your product?*

This one can. He is the male head of the average family of Redbook readers. His income is \$4401 a year. (That's the average income of Redbook-reading families — 49% greater than the general average.)

That's one reason why advertisers who display their wares in Redbook are getting more results for their money.

There's another reason. A \$2 book-length novel is now printed complete in every issue of Redbook. Each issue of Redbook stays on the living room table until every member of the family has read that full-length novel. An advertisement in Redbook is a live force—not for days, but for weeks and months.

Why not concentrate upon Redbook's 650,000 families (guaranteed)? A campaign in Redbook costs only the price of a few insertions in one-sex media whose basic rate is 30% higher for reaching women without men.

Sell the family and you sell all. Redbook Magazine, 230 Park Avenue, New York.





Courtesy Robert S. Feely

## Scotch Like This Always Legal

**C**OINCIDENT with the arrival of legal liquor comes a bottle of Scotch which would have been perfectly legal at any time during the last fifteen years.

It is in the form of a novel package for Condor Scotch matched garters and braces. As the illustration shows, the front of the package simulates a bottle of Scotch although when the Cellophane is removed it is seen that the bottle is merely a piece of cardboard cleverly folded. When the carton is turned over, the braces and garters are found inserted in the back.

### Utility Appoints United

The Penn Central Light & Power Company, Altoona, Pa., operating in Central Pennsylvania, has appointed the United Advertising Agency, New York, to handle its advertising, effective January 1. Copy of an institutional character will be used in addition to the advertising of specific appliances.

### Changes Name

*Beer, Wine & Liquor Merchandising, New York*, has changed its name to *Wine & Liquor Retailer and Beer Merchandising*.

A further development is the card on which the braces are packed. This is die-cut and hinged in such a way that the braces if removed from the original package can be displayed on the card which carries them.

Although the package has been on the market only a short while, Condor Products, Inc., has had a big demand for it. Stores which ordered a few dozen for original trial have increased their orders ten or twenty times.

The product is being advertised in copy that features the package.

### Stedfeld Adds Two to Staff

C. E. Coryn has joined The H. L. Stedfeld Company, New York agency, as art director. He was formerly a freelance illustrator and designer. Harold Kathman has also joined Stedfeld in charge of copy. He was formerly in the service department of the Fairchild Publications, New York.

### Has Ronald Press Account

The Ronald Press Company, New York publisher, has placed its advertising account with Howland, Oliphant & McIntyre, of that city.

# Network Sponsor Gets Plus Value from Broadcasts

Shifts Originating Point to Market Where Particular Job Had to Be Done

THE Blackstone cigar radio program several weeks ago had its scene of broadcasting operations transferred from New York to Boston. Sales, it was felt, were out of line there with those in other territories and plans to correct this situation led to the change.

The program itself is what radio parlance describes as a merchandising "natural." With Julia Sanderson and Frank Crumit as the featured entertainers, the program centers around the character of Captain Blackstone and action takes place on his Cuban plantation.

The program has been on the air four years; many persons have visited the studios to witness the broadcasts. It was felt that people in Boston who did not have the opportunity to see famous radio broadcasts, would appreciate the opportunity to attend one and that, if this opportunity was made available, it would lend itself to attention-getting newspaper advertising.

The company hired the ballroom of the Bradford Hotel which has a seating capacity of 2,800. Scenery was built to give a typical Cuban plantation effect. This included a veranda with a dignified old home as the background, while a back drop conveyed the impression of distant tobacco fields.

Cast and orchestra are dressed in costumes suitable to tropical climates.

In advance of the initial Boston broadcast, newspaper advertising featured invitations to the public

to attend. The immediate response more than crowded the capacity of the ballroom. Plans were changed to include in the copy the suggestion that it would be a good idea if those who wished to attend should send in some Blackstone cigar bands along with their request for tickets to the performances.

**BIG NEWSPAPER CAMPAIGN**  
...in page-dominating space...now starting  
in the GLOBE, HERALD-TRAVELER,  
POST, and AMERICAN



Tell all your Customers about this Free Radio Show  
Watch the sale of Blackstone...the famous  
ten-cent cigar...go up

Inside spread of a broadside to dealers

Cigar bands were not demanded. There was just an inference that if this was done it might, to use a football simile, result in the sender getting tickets on the fifty-yard line. Inside of one week after this revised copy with its attendant publicity in radio news columns appeared, the seating capacity was sold out for four or five weeks in advance.

Requests came in so fast that the need for further restrictions was

obvious. Newspaper copy was again changed to inform the public that tickets would be available only if requests were accompanied by two cigar bands. Still there was very little slackening in requests.

Retailers were urged to tie-up individually to the campaign. Window posters were distributed. The psychology of the campaign was explained to the trade which was informed that the programs were not merely a gesture for the goodwill of the public but that the idea behind the plan was one of sales promotion for them.

When the broadcasts in Boston began, a motion picture tobacco-growing film followed the regular network performance. But educational pictures nullified the entertainment feature and therefore the broader objective of the show and were discontinued. The company believed it would accomplish the greatest good if it did not strive to sell too hard.

On the other hand it was recognized that people, especially those who traveled a distance, might find the regular half-hour broadcast too short. Members of the cast are seasoned stage entertainers, an accomplishment which is taken advantage of. They now put on another half-hour in a vaudeville session, interspersed with tobacco chatter, following the broadcast period.

The campaign is now in its second phase. Newspaper advertising is thanking the public for the re-

ception it has accorded to the performances. Also, space is being devoted more and more to Blackstone cigars, discussing the success of the programs and sales results.

A further restriction is being exercised on the matter of admission. Ladies must be accompanied by male escorts, to insure that Blackstone customers and prospects are not crowded out.

When current performances draw to a close, Captain Blackstone expresses the hope that the men enjoyed the show and announces that as the men pass out, Blackstones will be handed them.

While it was feared, in the early performances, that the presence of so many women in the audience would amount to "waste circulation," there is now tangible evidence that women are buying Blackstones for their husbands and fathers and brothers.

Whether or not the company will extend this plan to other cities will depend upon sales results. While satisfied that it is working on something that shows promising possibilities, for the most part, as yet this has evidenced itself in making Blackstone cigars much talked about in Boston. Until sales reflect a substantial increase, the company will not be certain of the practicability of its promotional idea. It is too early to have figures show the effects of sales impetus to an extent that would justify considering following through a similar schedule in other cities.

### Tea Garden Products Advances Philips

A. E. Philips has been elected vice-president of Tea Garden Products Company, San Francisco. He joined the company last September as sales executive after fourteen years with the Welch Grape Juice Company, of which he was vice-president in charge of sales for ten years.

The J. Walter Thompson Company has been appointed advertising counsel by this company, which packs preserves, jellies and other food products.

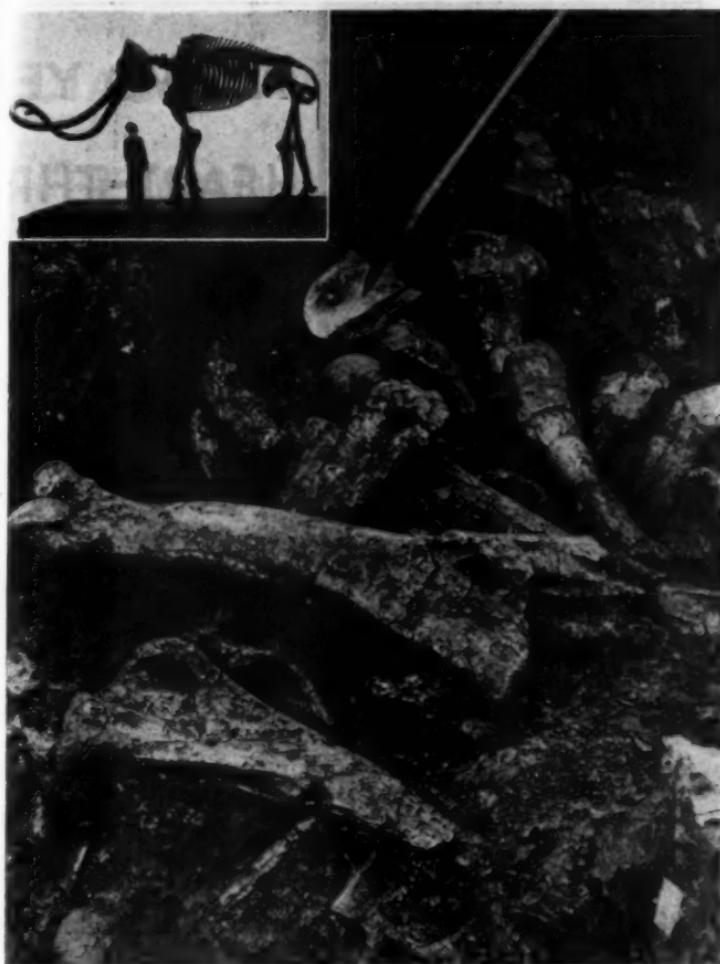
**New Members, Four A's**  
Pedlar & Ryan, Inc., New York, The Geyer Company, Dayton, and the Geyer-Cornell Company, New York, have been elected to membership in the American Association of Advertising Agencies.

### To Frame Resolution on Tugwell Bill

At a meeting last week of the Sales Executives Club of New York, a motion was passed that a committee be appointed to frame a resolution expressing the club's attitude on the new food and drugs act commonly known as the Tugwell Bill. This motion followed a talk by Lee H. Bristol, vice-president of the Bristol-Myers Company, in which he outlined the danger to advertisers and advertising that lies in the bill in its present form.

### Appoints Black Agency

The Lee Manufacturing Company, Brooklyn, N. Y., has appointed the W. L. Black Advertising Agency, Reading, Pa., to direct the advertising of Lee's Hi-Speed polish and other products.

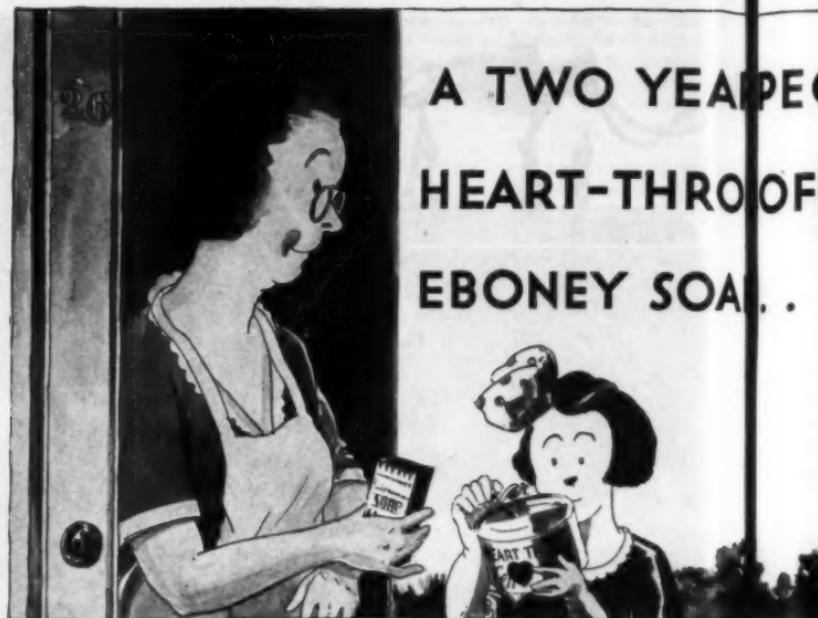


## WORLD'S LARGEST LAND ANIMAL

From the La Brea asphalt pits, now surrounded with Los Angeles' finest residence section, has come the richest-known fossil bone deposit. Here, hundreds of embalmed skeletons show that where Los Angeles now stands once roamed the sabre-tooth tiger, camel, giant sloth, and towering above all the gigantic Imperial Elephant with its stupendous and grotesquely-elongated tusks.

The Los Angeles Times, overlooking no field of interest, makes a feature of local scientific discoveries, explaining and popularizing them through the pen of Ransom Sutton, one of the country's best-informed scientific writers.

# LOS ANGELES TIMES



**S**ILLY, isn't it? *One doesn't sell groceries on the doorstep and modern housewives do not buy ahead.*

But when you buy advertising, do you first buy circulation which is sold through the *retail* channel? Sold like your own product to shopping-minded

## A TWO YEAR PERIODICAL HEART-THROB EBONEY SOA...

women? Do you first buy the publication which, like your own product, must make good after each purchase before repurchase?

Magazine newsstand circulation and nationally advertised consumption merchandise have much in common for magazine newsstand sale assures *current retail buyers.*

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That makes True Story an uncommonly good advertising medium for 1934 because True Story sells more copies per issue over the newsstand than any other magazine, at any price . . . yet, True Story sells for a higher price than six out of seven leading women's magazines.

Be smart, advertiser —

don't complicate this buying of space—the essentials are too simple. For volume sales you must sell mass. Here is mass, double checked for reader interest and reader spending, 78% housewives, no duplication, and record-breaking results for advertisers. *True Story Magazine, 420 Lexington Avenue, New York, N. Y.*

*Worcester, Massachusetts*

# WEDDINGS, TIGERS WEEK-END GUESTS

Believing that NEWS is a prime factor in developing the reader interest which stimulates advertising response, the Telegram and Gazette spare neither effort nor expense in giving Central Massachusetts readers the fullest coverage of local news.

## 128 Suburban Reporters

In the 201 Central Massachusetts cities, towns, villages and community centers served by these newspapers, the Telegram and Gazette employ 128 salaried reporters. The suburban editions of the Telegram and Gazette publish daily an average of 70 columns of suburban news—LOCAL news—with NAMES:

*"Leicester stenog weds Leominster bus driver—  
Marlboro Tigers vanquish visiting eleven—Clinton  
girl week-ends with mother at Spencer"—*

The stuff from which reader interest is made and advertising response accelerated.

## 964 Miles Daily

To deliver the news promptly to readers in the Worcester suburban territory, Telegram and Gazette delivery cars run 964 miles daily. 899 alert carriers complete the suburban service.

*These are some of the reasons why the Telegram and Gazette are the preferred newspapers in the homes not only of Worcester but also of the entire Worcester suburban area.*

**Population of Worcester, 195,311; city and retail trading zone (ABC) 433,287.**

Of all families both in Worcester and throughout the retail trading zone which every day receive in their homes a Worcester newspaper

**85% Read the Telegram or Gazette in Their Homes Regularly—Six Days Every Week**

# THE TELEGRAM-GAZETTE

Worcester, Massachusetts

George F. Booth, Publisher

Paul Block and Associates, National Representatives

New York Boston Chicago Detroit Philadelphia San Francisco Los Angeles

# Commission or Salary?

PRINTERS' INK Readers Take Sides on Argument Started by Mr. Babson

**I**NNOCENTLY enough, Roger Babson in an article in PRINTERS' INK back in September, quite casually referred to the refusal of a number of unemployed salesmen to work on commission. A month later a writer who signed himself R.M. pounced upon Mr. Babson's remarks and insisted that paying salesmen with commission on sales can't be justified. It is, of course, an old, old argument. But the interest created by Mr. Babson and R.M. has resulted in so many interesting sidelights on the subject that a few of these comments are here presented.

## Incentive to Salesmen

L. E. Barnes

Sales Manager, Benedict Mfg. Co.

**C**ERTAINLY there are many businesses which cannot compensate their salesmen on a straight commission basis and maintain morale. I refer to the type of concerns whose orders are large but infrequent, the solicitation of which requires great patience, many conferences, and perhaps much traveling. In such cases, also, the matter of considerable service before and after the sale is involved, and good-will building is an essential part of the selling job. All of these factors represent a definite service on the part of the salesman to his employer, making commission form of payment utterly impractical.

In those businesses, however, that depend for their volume on a steady day-to-day business and there is every reasonable expectation that a man can make a comfortable living on a commission basis, I believe that that form of compensation is one of the greatest incentives that a salesman can have. In the case of such commission arrangements involving fairly heavy and steady traveling expense, that traveling expense should be borne by the manufacturer, and commission rates figured and adjusted to take that part of the selling expense into consideration.

I have had experience over the last fifteen years with commission salesmen, and I can truthfully say that the old bugaboo, "You can't

control a commission salesman" is the bunk.

A commission salesman has a valuable franchise in the form of a territory from his employer. If he fails properly to use that franchise, he loses his job. That can be made plain to the salesman without using quite such severe language as I have here.

A salesman wants—

1—A reasonable income, in line with his needs and his capabilities.  
2—The assurance that he cannot lose money by traveling.

3—A definite incentive for increased sales.

In my experience of fifteen years, the commission form of payment has provided all three of these qualifications with the exception of a brief period of several months at the very depths of the depression at which time it was necessary to send our men a stipulated amount each month for their necessary living expenses.

\* \* \*

## Depends on Where You're Sitting

G. Noel Bolinger

Vice-President, Sta-Rite Hair Pin Company

**I**T seems to me that almost invariably arguments of this kind are due not so much to differences of opinion as to differences in viewpoint. Probably if some specific case were studied, the opinions of Mr. Babson and Mr. R.M. would coincide.

From the inefficient salesman's

viewpoint, there is no question that he would rather be paid on a salary basis. Likewise, it might make a married man with a family feel more at ease to know that he had a steady income to depend upon. On the other hand, a salesman ordinarily likes to have as high a rate of compensation as possible, and a commission basis of payment usually works out more favorably for him than any other type of compensation.

The way a manufacturer looks at the problem depends a great deal upon the product he is selling, the size of his organization and its financial condition.

\* \* \*

### Unfair Exploitation

Harry Simmons

Executive Secretary, Milwaukee  
Advertising Club

**T**HREE has arisen in this country a tremendous number of employers who have evidently been influenced both by the leanness of the times and by the smallness of their minds. They have hit upon the device of hiring innumerable men on a straight commission basis—promising them anything from an income of \$75 a week to the entire pot of gold at the end of the rainbow—if they will only do as they are told faithfully, loyally, regularly—"at least eight hours a day"—all practically without a dollar's investment on the part of the employer.

These employers have seen a good thing and have run it to death—they have taken the most fearful advantage of thousands upon thousands of men and women who were in desperate circumstances—men and women who in average times were worth just as much if not more than the employers who exploited them.

For their "faithful, loyal, regular" services—for their back-breaking, foot-flogging, blood-letting hard labor most of these people never got a dime. If they did get any return at all, it was so pitifully small that it wasn't a drop in the bucket compared to what they were actually worth or should have re-

ceived even in times of dire depression.

In return for the privilege (?) of "representing" these employers, most of these men and women paid their own expenses out of their meager savings and borrowings—they presented the employers with their own automobiles and accessories and gas and oil—they were desperate enough to sacrifice their decency, their pride and their intelligence—all heaped up high with hopes on the altar of "straight commission" employment.

What is this country coming to when the industrial and commercial leaders of America can permit such wholesale exploitation of human resources to be carried on year after year after year?

\* \* \*

### Depends on Type of Salesmanship

Mid-Western Sales Executive

**I** READ with a great deal of interest the article entitled "Paying Salesmen with Commission on Sales Can't Be Justified."

The article in question is right insofar as a salesman selling to a dealer is concerned.

We operate several salesmen in our wholesale division who sell to dealers, whose duty involves the training and supervision of dealers and dealer organizations to re-sell our product to the consuming public. Those men operate on a salary and commission and expense basis, and are extremely well paid. That is exactly as it should be because they have to do a lot of work in a dealer organization getting the dealer organization fitted to handle our line before actual sales are forthcoming.

However, in our retail factory branch organization, where we employ approximately 600 retail salesmen selling directly to the consuming public the same as dealers' salesmen would operate, we cannot see the wisdom of paying salaries or drawing accounts. Neither we nor any other operator could afford to have such a large organization as ours operate on a salary basis,

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and a large organization is necessary in handling a specialty of our kind.

I have noted so many times that when articles of this nature appear they deal with one particular type of salesmanship, whereas there are two separate and distinct types. The first has to do with the type of organization to which the author in question refers, salesmen selling to dealers for re-sale, but the second type of salesmanship is represented in the organization of retail salesmen who sell for the dealer to the consumer.

\* \* \*

### Form of Compensation Not the Important Thing

Frederick Driscoll

Sales Manager, Sweet-Orr & Co., Inc.

**A**NY sound business must set up its costs and allocate given percentages to each factor in those costs, among which is the cost of sales. Therefore, no matter what form the compensation of salesmen takes—salary, salary with bonus, straight commission, commission with expenses allowed, etc.—the ultimate test of its efficiency depends wholly upon the total expenditure being contained within the total product of the sales cost percentage applied to total sales.

With that principle in mind, I am of the opinion that a straight commission basis is the best possible method of salesman remuneration since it provides quick reward for accomplishment, a vivid picture always before the salesman of his personal and business budget, the complete avoidance of paternalism and definite knowledge for the house of the condition of any given territory.

"R.M." overlooks the fact that we are all on commission, that advertising is on commission, that factory operatives are on commission—in other words, that we must produce to exist. Really his quarrel is not with the method of payment. It lies with the type of employer who advertently or inadvertently overlooks the rest of the sales equation.

The duty of any house to its

salesmen is to supply them with a product which may be sold by a salesman of average ability and average industry upon the territory allotted to him in quantity sufficient to provide at the fixed commission rate, a reasonable living and the expenses necessary to proper coverage of that territory.

If that condition be fulfilled, the actual method of salesman's compensation simply does not matter. He can't lose if he, in turn, fulfills his duty.

Naturally, in this comment, I have stated only basic principles and have avoided any special conditions such as the opening of new territories or the introduction of new products.

\* \* \*

### Base Salary Plus Commission

G. J. Nagel

Shuron Optical Company, Inc.

**I**HAVE come to the conclusion that the only equitable and satisfactory means of compensation under prevailing conditions should be a base salary plus a commission. There are obvious reasons for this opinion, but principally because it offers more opportunity for complete territorial coverage. There are of course other reasons but I simply project this as the one paramount, in my support of a base salary plus a commission, as stated.

\* \* \*

### Salary, Plus Bonus and Commission

H. A. Porter

Vice-President in Charge of Sales,  
Harris Seybold Potter Company

**I**HAVE always resisted the commission plan of remuneration, although of course I recognize that there are some commodities and some instances where the commission plan of selling works out very satisfactorily.

Selling, as we do, a highly specialized line of printing and lithographing machinery, we have always believed in the salary basis with bonus and commission as added incentive. Of course, there has been a tremendous shrinkage

# Advertising that goes where Business is!

LAST year, during lean 1932, the people living

~~in the same opulent states are 92% of the na-~~

~~average market.~~ Advertising in The American Weekly creates  
guessing about results.

5,000,000 circulation, carrying the advertiser's message directly to the Money Homes.

For \$16,000, or at an average cost of only  $\frac{1}{8}$  cent per home, you can reach every one of these 5,000,000 homes with a full-page advertisement printed in four colors, a page twice as big as any other national magazine page.

In the most interesting magazine in the world sales?

Where this Magazine goes

Advertising in The American Weekly creates  
guessing about results.

boundaries of twenty-five states—the above-the-average market.

In these same opulent states are 92% of the nation's advertising and these people buy

printed in four colors, a page twice as big as any other national magazine page.

In the most interesting magazine in the world sales?

guessing about results.

Advertising in The American Weekly creates demand for merchandise because it concentrates in the Opportunity Markets where business is. A manufacturer who does not send his salesmen into these markets will not remain long in business.

Your advertising messages are silent salesmen. If they are to pay their way they too must concentrate in these markets.

Into the 25 above-the-average states The American Weekly pours 90.8% of its more than

### *Where this Magazine goes*

The American Weekly is the largest magazine in the world. It is distributed through 17 great Hearst Sunday Newspapers. In 529 of America's 995 towns and cities of 10,000 population and over, The American Weekly concentrates 68% of its circulation. In each of 93 cities, it reaches one out of every two families. In 110 more cities, 40 to 50% of the families

In an additional 157 cities, 30 to 40%

In another 169 cities, 20 to 30%

... and, in addition, more than 1,680,000 families in thousands of other communities, large and small, regularly buy and read The American Weekly.

Where can you spend your advertising dollar more effectively?

# THE AMERICAN WEEKLY

*Greatest Circulation in the World*

"The National Magazine with Local Influence"

Main Office: 939 Eighth Avenue, New York City

Branch Offices: PALMOLIVE BLDG., CHICAGO . . . 5 WENTWORTH SQUARE, BOSTON . . . 753 BONNIE BRAE, LOS ANGELES . . . 222 MONADNOCK BLDG., SAN FRANCISCO  
11-250 GENERAL MOTORS BLDG., DETROIT . . . 1138 HANNA BLDG., CLEVELAND . . . 101 MARIETTA ST., ATLANTA . . . 1370 ARCADE BLDG., ST. LOUIS

in the volume of our business as there has in all others, and for a short period of time it appeared that we had no other alternative but to discontinue sales activity and put our men on a straight commission basis for a period of three months.

Even at that time I felt that it was obviously unfair to the men in the field. This was soon changed and a definite salary basis adopted, with an increase in the commissions normally paid. We also put a definite check on expenses, because these expenses are chargeable against commissions earned.

But so far as our own sales problem is concerned this plan is working out very satisfactorily.

\* \* \*

### Commission Is a Burr of Incentive

W. H. Hobart

Hobart Brothers Company

I CAN'T let the article saying "Salesmen's Commissions on Sales Can't Be Justified" in your October 19 issue, go unanswered.

Commission selling is for the rare few that know definitely what they want to do and can sink or swim on the success of their efforts.

The successful commission salesman can make two or three times the money that the salesman with the sure income can earn.

Successful commission men won't sell on any other basis. Weak sisters that can't do any good on a commission basis are the kickers.

Commission selling should carry a comparatively high rate of commission reward. Where a certain salary is guaranteed and bonus paid for all over a certain figure, the reward should be and usually is much less.

The sooner a salesman realizes that after all the income from customers is the thing that pays his salary—and nothing else—the sooner we will have fewer failures as salesmen.

We have found the surest way to ruin a salesman is to put him on a drawing account where there is no relation between the sales he makes and the funds he receives. When

you separate the reward from his efforts, there's trouble ahead both for the salesman and the manufacturer.

We believe a good reward for a definite job accomplished gives a burr of incentive to the salesman—eliminates the weak sister—and puts business on a sound basis.

\* \* \*

### All Actually Working on Commission

Linn T. Piper

Assistant to the President,  
O-Cedar Corp'n

THERE are any number of concerns eminently successful whose men are on a straight commission basis only, and have never been employed in any other manner. The same is true of concerns which pay their men a straight salary, or salary and commission.

All salesmen are actually working on commission or a cost to sell or whatever you want to call it. A reputable company is not putting men into the field or into territories and spending money on supervision and all other expense if it knows it is impossible for the man in that territory to sell its merchandise and get proper remuneration for it.

It so happens that the O-Cedar Corp'n at the present time pays its men a salary and yet fully 50 per cent of the men that apply for positions (that we would consider hiring) ask if we do not pay on a commission basis.

I have found, over a period of years, that the hard-working, producing salesman receives remuneration in direct proportion to his applied time and efforts.

\* \* \*

### Commission Is a "Torturous Goad"

Margaret H. Gammon

PEOPLE who talk about the "stimulus" of the commission system would do well to study elementary psychology, and find out first of all the strongest instinct in the human family. Just because a man would lie, steal or murder for the sake of self-preservation does not prove that it is anything but a

Nov. 30, 1933

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tortuous goad applied to what should be an art. I doubt very much if the quality of work done by a man so goaded would compare very favorably with that of a man who feels secure.

The company says to its salesman, "Only orders talk"; the salesman passes this on to his customers and prospects. Result: A very definite sales resistance, to start with.

If every office job and executive position could be analyzed to its one ultimate purpose, and this same "do-or-die" method applied to productivity, I wonder how many could earn their salaries.

\* \* \*

### Commission Men Hold the Bag

M. K. Horton

THE aspect of the salesmen's room in an organization hiring salesmen on a strictly commission basis is that of a hotel lobby, so

+ + +

### Lionel Elects Castagnola

Salvatore Castagnola, advertising manager of The Lionel Corporation, New York, model railroad equipment, has been elected vice-president in charge of all sales and sales promotion activity. Archer A. St. John, formerly assistant advertising manager, has been appointed advertising manager.

### Whiteley on Gunnison Staff

J. H. Whiteley has joined the staff of Stanley E. Gunnison, Inc., New York advertising agency, as Western representative. Mr. Whiteley was formerly president of Campbell, Lowitz and Whiteley, Inc., New York. He will occupy offices in the Monadnock Building, San Francisco.

### New Accounts to Maish

The advertising accounts of the following have been placed with The Jay H. Maish Company, Marion, Ohio: O. M. Scott & Sons, Marysville, Ohio, lawn seed; Printing Machinery Company, Cincinnati; Miami Valley Chick Hatchery, Sidney, Ohio, and the Golden Rule Hatchery, Bucyrus, Ohio.

### V. H. Jones with Stensgaard

Vernon H. Jones, now in charge of display planning for Montgomery Ward & Company, has resigned to become affiliated with W. L. Stensgaard and Associates, New York and Chicago. C. V. Haecker, display manager of Montgomery Ward, will absorb the major part of Mr. Jones' duties.

high is the turnover rate. The effect on the prospect of being called on by a veritable procession of different salesmen may well be imagined. It cannot but undermine his confidence in the product thus "sold (?) to find that apparently it sells so slowly that no one can for long make a living at the job of selling it.

The phrase, "salary when qualified" found so often in ads for salesmen is a veritable farce. In other words, it says in effect: "We do not know how to pick salesmen. We have no way of telling whether or not you will make good. But if you do make good to the extent that your commissions are paying you a substantial income, we will then trim your income down to a salary basis of considerably smaller proportions. You take all the chances. We take none. And if you do win out, the full fruits of your victory shall be taken from you."

### With Carroll Dean Murphy

Walter C. Hellmann, who has conducted an advertising agency in Philadelphia for the last six years, has joined the Philadelphia staff of Carroll Dean Murphy, Inc., Chicago advertising agency, as account executive. He at one time was advertising and sales promotion manager of the A. B. Kirschbaum Company.

### Heads Marketing Organization

The firm of Sheldon, Morse, Hutchins and Easton, New York, marketing counselors, has been changed from a partnership to a corporation. The following officers have been elected: President, William H. Easton; vice-president, L. W. Hutchins; treasurer, H. A. Morse, and secretary, A. E. Welty.

### Death of Dr. W. H. Neel

Dr. William Hanna Neel, for the last fifteen years a member of the advertising and business departments of the New York *Times*, died at that city. Dr. Neel held pastorate in a number of churches before leaving the ministry for a business career. He was seventy-seven years old.

### Start College Magazine

The first issue of *Cosmos*, a national magazine for American college fraternity and sorority members, will be published in January by the Cosmos Publishing Company, 333 Hudson Street, New York. Charles Lindley Nathan, 3rd, is managing editor.

## A New Display Fixture Idea

**A** NEW display fixture for exhibiting rope in the store and facilitating its sale has been adopted by the Plymouth Cordage Company. It is known as the Plymouth Rope Sales-Maker.

Realizing that most dealers store their rope in the basement, hidden from the customer's view, this company designed the new store fixture so that no change is necessary in this method of storing rope. With the Sales-Maker, instead of being out of sight and consequently out of mind, the rope is brought up through the floor into the store display for all to see. This display combines a complete and compact rope department in itself with a range of sizes immediately at hand.

Two innovations in this fixture are an accurate measuring device and a rope cutter. With this new type of measuring device the rope is merely pulled through a gauge and the number of feet is accurately recorded on a dial.

Actual store tests of the fixture have proved that it reminds customers of their rope needs; increases rope sales; sells a greater variety of rope sizes; saves time in handling rope; and is especially adapted to the sale of rope by the foot instead of by the pound.



For a limited time the manufacturer is making a special offer to dealers who are desirous of modernizing their rope departments by the use of the display fixture.

### Timken Elects Walsh Vice-President

E. V. Walsh, general sales manager of the Timken Silent Automatic Company, Detroit, has been elected vice-president in charge of sales and advertising.

His new standing will give him closer contact with the directors and executive staff and bring other officers of the company into more direct touch with sales problems and sales policies.

Mr. Walsh joined Timken in 1926, as Detroit manager. In 1928 he became sales manager of the company. Under his direction the branches have grown in number from three to sixteen, with twelve additional sub-branches, and salesmen from forty to more than 600.

### G. B. Dippy with McLain

George B. Dippy, for the last five years on the staff of the *Dry Goods Economist* and before that in the advertising agency business, has joined the McLain Organization, Philadelphia, as manager of that agency's merchandising department.

### To Study Tugwell Bill for Drug Institute

The Drug Institute has appointed a fact-finding committee to investigate problems growing out of proposed Federal Food and Drug legislation and to report its conclusions to the executive committee of the Institute.

Members of the committee are Dr. J. H. Beal, chairman of the board of trustees of the United States Pharmacopeia; Dean Charles H. LaWall, Philadelphia College of Pharmacy, and Dean H. V. Arny, College of Pharmacy, Columbia University.

### New Accounts to Aitkin-Kynett

Felton Sibley & Company, Inc., Philadelphia, paints, varnishes and lacquers and Jiffynamel, has appointed The Aitkin-Kynett Company, of that city, to handle its advertising. This agency has also been appointed by the Dethol Manufacturing Company, Washington, D. C.

**I**N seeking a market for 1934, conditions commend Washington (D. C.) for a leading place in your promotional budget.

**I**The expenditure of millions of dollars are involved in Federal and Municipal Government building programs here in Washington—and the constantly increasing population is likewise augmenting normal demand in all lines of business.

There is every indication for a busy year in the National Capital and only ONE newspaper—THE STAR—Evening and Sunday—is necessary to completely cover the Washington Market, which includes Washington City and the 25-mile shopping area into Maryland and Virginia.

The Star takes your message directly into these homes, where it is depended upon for all the authentic local, national and world news—and where advertising receives thoughtful consideration.

**An Associated Press Newspaper**  
**Member Metropolitan Sunday Newspapers**  
**Member Major Market Newspapers**

New York Office  
**DAN A. CARROLL**  
 110 E. 42nd St.

Chicago Office  
**J. E. LUTZ**  
 Lake Michigan Bldg.



# No Marked Falling Off in Coupon Inquiries

*Editor of PRINTERS' INK:*

We have had an inquiry which we are wondering if you have any information on. It is in regard to the falling off of consumer inquiries this last year to magazine and newspaper advertising where coupons offering booklets have been included in the copy.

One of our clients has noted an appreciable falling off in coupons this year and we are wondering if the 3-cent mail cost has had anything to do with it and whether other manufacturers have met with the same experience.

We do not recall having seen any articles in PRINTERS' INK recently in this regard, but perhaps you have some data on file which would assist us in answering this question. If you have, we should appreciate your sending it to us.

INQUIRY among a number of advertisers indicates that there has been no definite general trend that would point to a falling off in the number of replies from coupons. A few advertisers who have offered samples or booklets that are sold to the consumer for sums varying from 5 cents to a half-dollar report that they have had a definite falling off in inquiries. However, this is not an unmixed

## Has Drug Account

The Drug Products Company, Inc., Long Island City, N. Y., has placed its advertising account with Branstater-Hammond, New York agency. Medical publications and direct mail will be used.

## Joins Milwaukee Agency

Edward J. Schickel has joined the merchandising staff of Klau-Van Pieter-Som-Dunlap Associates, Inc., Milwaukee. For the last six years he has been in advertising agency work in Milwaukee.

## Brewer Appoints

The Gipps Brewing Company, Peoria, Ill., has placed its advertising account with the Mace Advertising Agency, of that city.

evil. One advertiser tells PRINTERS' INK that he thinks it is a good thing because the person who has sent in his nickel or dime during the last year is probably a good prospect. At least, he is a customer who does not question his expenditures.

Among advertisers who have been giving away samples or booklets there seems to be no noticeable falling off in inquiries. In several instances where there has been a reduction in the number of replies to coupons there has also been a reduction in the size of space used. Dr. Starch's studies of the relation of space size to inquiries would indicate that this falling-off is perfectly natural.

Therefore, if there has been any trend toward a reduction in the number of coupons sent in to national advertisers, it has not been marked enough to show in the records of leading advertisers and when it has shown, has been due to factors such as reduced space units, smaller circulation and the like.

Only one advertiser queried seemed to think that the 3-cent mail cost had anything to do with cutting down consumer inquiries, although, as everyone knows, it has had a vital effect in cutting down the amount of direct mail sent to consumers.—[Ed. PRINTERS' INK.]

## With Curtis Shoe

James P. Macfarlane has been made sales and advertising manager of the Curtis Shoe Company, Marlboro, Mass. He has been engaged for many years in sales executive work in the shoe field.

## Levin Leaves Ronson

S. J. Levin has resigned as advertising manager of Art Metal Works, Inc., Newark, N. J., maker of Ronson lighters. The resignation becomes effective on completion of the current campaign.

## To Represent Danville Paper

Effective January 1, the Danville, Ill., *Commercial-News* will be represented nationally by Lorenzen & Thompson, publishers' representatives.

# More Buying Power Must Come or Prices Will Drop

British Economic Authority, Reviewing President's Moves, Advises International Consultation on Exchange Manipulation

**A**LTHOUGH written by an expert economist, this copyrighted article, reproduced here by special permission of the North American Newspaper Alliance, Inc., and the London *News Chronicle*, discusses the United States gold policy in a way that is intelligible to the layman. And who is not frankly puzzled as he contemplates the problem of internal currency inflation?

By Sir Walter Layton

Editor, *London Economist*

THE outstanding feature of the last four years has been the excessive fall of prices, which has gone to a greater extreme in America than anywhere else. It would be next to impossible to restore prosperity in America on the low level to which prices have fallen except after long years of depression and of industrial and agricultural adjustment.

The effect of falling prices has been so clear and so disastrous that President Roosevelt has been led, ever since he came into office, to try to influence the price level directly. He has, therefore, paid too little attention to the economic and political causes that had produced the crises.

To influence prices he has already tried two expedients, and now a third.

The first was the psychological expedient of May and June last, when, after leaving the gold standard, the President took permissive powers to inflate the currency. There was much talk of America's determination to raise the price level, and the resources of publicity were enlisted behind the assumption that, if only the public believed prices would rise, the rise would in fact take place. To some extent this assumption proved correct, for there followed an outburst of speculation on the stock markets and in the markets for wheat, cotton and other products.

But prices will not stay high unless there is plenty of purchasing power in the markets where the products are normally bought, and for the American farmer this means not only the home market but the market in foreign countries. The rise of prices was, therefore, overdone, and a set-back occurred in July.

The public has learned from this episode to have a little less faith in the power of suggestion to influence the price level, and prices consequently now show less responsiveness to Mr. Roosevelt's announcement than was the case six months ago.

In the second place, in order to create a more solid basis for rising prices, the President tried to expand purchasing power at home by means of the National Industrial Recovery campaign. This plan tried, by shortening hours and increasing wages, to compel employers to put more money into the hands of their work-people and so to stimulate demand.

But the permeation of an economic system by fresh spending power is a slow and complicated business; and the immediate result was that costs of production rose before prices went up, profit disappeared and employers were compelled to reduce output and to hold back their plans for expanding business.

The turnover of trade is there-

fore dwindling again, as can be seen from the behavior of a trade barometer such as the output of the iron and steel industry, which rose during the summer boom to 55 per cent of capacity (after having been about 15 per cent last January) and has now fallen back to 31 per cent of capacity. Hence the search for a new expedient.

The new device took the form of an announcement by the Government that it would buy gold mined in America. This is not to be confused with stabilization of the dollar in terms of gold, for each day the official price has been higher than before, and it is clear that the intention is to depreciate the dollar in terms of gold.

What precisely is in the mind of the President, it is impossible to say at this distance. But this plan is clearly in close affinity to that section of American opinion which has been loudly preaching that if only the dollar were depreciated to the value of 50 cents, prices would inevitably rise.

This conception, however, may have at least three different meanings.

One meaning is that the dollar should have only the purchasing power that 50 cents had, let us say, at the beginning of the year—in other words, that prices should double and the dollar depreciate in terms of goods.

The second is that the dollar should depreciate in terms of foreign money. In the spring it was thought that this was the key to the situation, and that if only the dollar depreciated enough on the international exchanges the price level in America must rise. Experience has proved this wrong. Events in Great Britain, after our departure from the gold standard in 1931, showed that the disturbance caused by instability of the exchanges is just as likely to depress prices in other countries as to improve the situation for the country whose currency has fallen in value.

A third meaning is to lower the value of the paper dollar in terms of gold.

Now if there were some natural or permanent link between the

value of gold and the value of all other commodities, the act of making gold dear and dollars cheap would mean that prices of goods in dollars would also be high. But there is no such link between goods and gold, even when a country is on the gold standard; and when, as is the case at present, gold is no longer the standard, variations in its price have no more effect than variations in the price of any other commodity. It is not even the most important of commodities.

America's total stock of gold, for example, is worth about \$4,000,000,000. The capital assets of the United States in 1929 were worth about \$300,000,000,000.

Or again, if we take production, the annual output of gold in the United States is worth about \$45,000,000; the output of all goods and services in 1929 was \$80,000,000,000. If, therefore, we are thinking only of the United States, it is natural that a rise in the price of gold should have almost no effect upon the price-level as a whole, in which it plays so small a part.

#### *Buying Gold in World Markets*

The President appears to have decided that he must buy gold in the world markets and not merely in America. This plan, if carried out on a large scale, would clearly have more effect, for some countries are still upon the gold standard. Moreover the currencies of the British Empire, Scandinavia and other "off-gold" countries are not now fluctuating violently in terms of gold currencies. There is thus a certain stability about the world value of gold, and if the President determines to buy foreign gold on a large scale, he can depress the value of the dollar in terms of other currencies.

The President must buy gold, and go on buying it, if the dollar is to be kept at an artificially low level.

Few people believe that it is his intention to add still further large quantities of gold to America's already vast stocks. But let us suppose that the President is in earnest. The result will be to prolong uncertainty abroad, without

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**Right you are, Mr. Space-Buyer—moreover, the Journal is one of six newspapers in the entire country, in cities of 300,000 or over, that fulfills the Rule of Three**

The sales problem of many advertisers has been simplified and solved by use of the Portland, Oregon, Journal. At the lowest cost it reaches the greatest number of people—and, most important of all, people with purse-opening proclivities.

It is one newspaper of a very fortunate few in the country that gladdens the space-buyers' day by registering 100% on the Rule of Three

## 1

### CIRCULATION LEADERSHIP

The Journal has the largest daily circulation in the Pacific Northwest. It is the only daily in the Pacific Northwest with more than 100,000 circulation.

## + 1

### ADVERTISING LEADERSHIP

The Journal leads in retail lineage, general lineage, total paid lineage, daily and Sunday combined.

## + 1

### LOWEST MILLINE RATE

The Journal has the lowest milline rate in the Pacific Northwest.

# THE JOURNAL

PORTLAND, OREGON

REYNOLDS-FITZGERALD, INC., NATIONAL REPRESENTATIVES  
New York Chicago San Francisco Los Angeles H. R. Ferriss, Seattle

any assurance of producing the desired effect at home.

We come back, therefore, to the point from which we started—namely, that the only way to insure a rise of prices in the United States, or in any other country, is that there should be ample purchasing power in the hands of those who wish to spend it.

The Government can get existing money into circulation by public works or by assistance to those who are out of work, if it borrows for the purpose; or it can achieve these same results by printing paper money.

But it has yet to be shown that there is any short cut by manipulating the exchange value of the dollar, or its value in a dethroned commodity, such as gold. Any at-

tempt to do so merely creates lack of confidence (well illustrated by the present stagnation of the American produce and stock markets) and exercises a depressing influence on other countries' trade, which, if carried to extremes, will almost inevitably lead to reprisals, competitive depreciation and chaos.

If the United States decides to embark upon an internal inflation of its currency, no nation would have any cause for complaint; but before the President commits himself to a policy which involves the deliberate manipulation of the exchanges between America and all other countries, it is highly desirable in the interests of friendly relations that they should know what he is doing and that he should act in consultation with them.

## Love Pictures Wanted

**L**OVED pictures "get" the women. So says Henry Quinan, art editor of the *Woman's Home Companion*, but in so saying he is careful to state that he is only citing the conclusions of a research made by a group of college professors for an advertising agency. The result was made known by Mr. Quinan at the first of a series of Monday evening lectures on art which are being held by the Art Directors Club in the assembly hall of J. Walter Thompson Company. The research covered all leading

women's magazines and included women of every class. Investigators sent personally into the homes of readers found that illustrations composed of two figures, "A man and woman in a clinch," invariably were selected as favorites.

Although he had no scientific study on which to base his observations, Mr. Quinan said he frankly questioned whether it is true that this type of illustration is what women readers really prefer. He believes they should be given credit for having better taste.

### Appoint Sternberg

The advertising account of the E. Richard Meinig Company, Reading, Pa., Mimode glove silk underwear and fabric gloves, has been placed with the H. Sumner Sternberg Company, New York. Fashion magazines, newspapers and direct-mail will be used. This agency also has been appointed to direct the advertising of Alfred Dunhill of London, New York. Another new account is that of the Optical Products Company, New York, for which business papers are being used and a magazine campaign is contemplated.

### Kreger to Fensholt

The L. F. Kreger Mfg. Company, Chicago, automotive replacement parts and accessories, has placed its advertising account with The Fensholt Company, of that city.

### Joins Geo. B. David Staff

A. E. Christoffers, formerly manager of the Southern office of Bryant, Griffith & Brunson for the past twelve years, is now associated with the New York office of the Geo. B. David Company, publishers' representative.

### Milton Oil to Anfenger

The Milton Oil Company, Sedalia, Mo., Dix-Cel lubricants and gasoline, has appointed the Anfenger Advertising Agency, St. Louis, to direct its advertising account. Newspapers, outdoor advertising and direct mail will be used.

### Gets Piston Ring Account

The Coil Manufacturing Company, St. Louis, piston rings, has appointed the Oakleigh R. French Advertising Agency, of that city, to direct its advertising account. Business papers will be used.

# Magazine Publishers to Censor Liquor Advertising

N.P.A. Appoints Committee to Study Subject and Make Recommendations

EVER since repeal became a certainty, publishers have been faced with many problems regarding the acceptance and publication of liquor advertising.

Some magazine publishers have favored organizing a new group to help interpret existing Federal and State laws on liquor advertising and to attempt to have the Reed Amendment repealed. It was decided, however, to take advantage of the National Publishers Association's present organization. The directors of that association have appointed a committee to handle all matters dealing with the advertising of liquor.

This committee includes:

C. D. Jackson, *Time*, chairman; F. L. Wurzburg, Condé Nast Publications; Arthur S. Moore, International Magazine Co.; O. J. Elder, Macfadden Publications, and John C. Sterling, *McCall's*.

It is the purpose of this committee to gather information in connection with the handling of liquor advertisements and to pass on to the publishers interested the results of their investigation and the consensus of the committee's opinion as to what procedure would best serve the industry.

The following is an outline of

seven general principles that the committee now feels should be followed by all national periodicals:

1. Definite assurance of the good repute of the company wishing to advertise.
2. Rejection of liquor copy directly urging greater consumption.
3. Rejection of liquor copy with undue emphasis on the lure (it is realized that, if the copy is to be restricted to display as opposed to solicitation type, the advertiser is inevitably driven to attractive copy; but this attractiveness can be exaggerated into what, for want of a better word, is here called "lure").
4. Rejection of liquor copy containing health or medical angle.
5. Adherence to dignified wording and presentation as opposed to cheap smartness in reference to Prohibition—the "new drinking deal"—in other words, good taste.
6. Should the Federal Government sign a code with United States distillers, adherence to code provisions against unfair trade practices in advertising.
7. Maintenance of long-range attitude toward the liquor industry and the advertising thereof whereby desire for immediate results may not destroy future possibilities.



## Grigsby-Grunow Plans

DEALERS and distributors of the Grigsby-Grunow Company, in telegrams signed by John F. Ditzell, general sales manager, have been informed that more effective advertising and selling plans will soon get under way. They are told that the appointment of receivers is not a case of bankruptcy but a proceeding in equity.

The receivership, it is explained, was occasioned solely by a tremendous increase in sales. "It will permit," he says, "a prompt re-

organization of our finances, also a definite program of permanent financing which will be consistent with the increased business Majestic is now enjoying.

"The action relieves us of the burdensome handicaps under which we have been laboring for the last three years. It clears the track for full speed ahead."

In January the company will announce new plans for its Majestic radios and will introduce a new line of Majestic refrigerators.



## Tank Truck De Luxe

A N object of considerable attention at the Century of Progress, this, the first full-streamline tank truck, has gone into service delivering Fire Chief gasoline and Texaco oils. Streamlining has been much talked about and widely advertised but, in this truck, there

is a final job which actually realizes the designers' intention without compromise.

Its capacity is 1,500 gallons. The engine is mounted in the rear. Air control is used throughout.

The truck is painted a brilliant red, with white porcelain lettering.

\* \* \*

### New Kendall Sales Unit

The textile sales departments of the Griswoldville Manufacturing Company and Lewis Manufacturing Company units of the Kendall Company, Boston, have been consolidated as the Kendall Mills. Products merchandised under the Sorbant and Curity trade-marks will be concentrated in the new division.

Surgical textiles for the hospital and allied trades continue under Lewis direction. Bauer & Black and other Kendall divisions are unaffected by the operating realignment.

Henry P. Kendall, president of the Kendall Company, is president of the Kendall Mills. R. R. Higgins, general manager and sales manager of Lewis, in addition becomes vice-president of the new company. R. L. Moyle, sales head of Griswoldville, also becomes a vice-president. Lawrence Davis will be advertising manager.

Richardson, Alley & Richards will handle the advertising account.

### Sidney E. Rudman Opens Office

Sidney E. Rudman has opened his own office at 249 West 34th Street, New York, as advertising representative for class magazines, newspapers and outdoor advertising plants. He was formerly with General Outdoor, Metro Outdoor and was president of City Transit Advertisers, Inc., New York.

### Warns Against Cut-Rate Drugs

A survey made by the New York State Board of Pharmacy reveals that almost 44 per cent of brands of four articles sold by cut-rate drug stores were found to be inferior in quality, on laboratory test. A report of the survey was issued this week by George W. Mather, secretary of the board, who warned the public to be on its guard when making purchases through these outlets.

The items studied to date include peroxide of hydrogen, witch hazel, bay rum and mineral oil. The outlets from which purchases were made are described as "cut-rate" stores, cosmetic stores, and others merely as dealers in "hodge-podge" merchandise.

It is planned to continue the survey to include cosmetics. The accumulated evidence is to be turned over to the State Attorney General.

### New Accounts with Moss Associates

Adolph Hurst, New York, chemicals, has appointed Moss Associates, New York, as advertising counsel. Magazines will be used. Alberto Martinez, New York, wines, has also appointed Moss Associates as advertising counsel. Magazines, newspapers and radio will be used.

# THINGS ARE GETTING RIPE IN CAPPER COUNTRY



**F**ACTS are facts. And here are a few substantiating the rising rural buying power in the world's greatest agricultural section:

66% of all Government wheat-allotment payments;

67% of all Government hog-allotment payments;

63% of all cotton acreage removed from production through Government benefits—apply to Capper's Farmer states

45% of the U. S. farm income is in Capper's Farmer states

\$452,000,000 will be the 1933 U. S. wheat income alone, against \$177,000,000 in 1932. Two-thirds goes to Capper's Farmer states.

Price increases (Oct. 15, 1933 over Oct. 15, 1932):

Wheat ... 84%	Cotton ..... 41%
Corn .... 80%	Cottonseed .. 21%
Rye ..... 136%	Potatoes ... 118%
Barley ... 124%	Fruits and
Oats .... 113%	Vegetables. 46%

Don't let anybody tell you this isn't progress. And it is only a forerunner! Capper's Farmer is the opinion molder and buying guide of nearly a million believing, upward-looking farm homes of a section undergoing the greatest transformation in its history.

# Capper's Farmer

TOPEKA, KANSAS

# When a Competitor Follows You, Advertise Him!

On That Principle, Multibestos Uses Business-Paper Space to Congratulate Raybestos

**W**HAT to do when a competitor brings out a product for which you claim the title of innovating pioneer?

One course is to pretend to ignore him.

Another course is to recognize his presence obliquely. By this method you reveal in your advertising that your attention-caller has just whispered to you that he seems to notice a funny smell, and that perhaps it's new competition. Then, from that point, without naming the interloper, you pound away to beat the band on the theme that your product, being older and more highly developed, is infinitely better, of course, than any upstart of a product that is foisted upon the market before it—the product—has been thoroughly dried behind the ears.

If the question involves questions of patent rights, still another method is to sue the blankety-blank for infringement, and then buy space in the business papers and declare war openly.

Yet none of these courses, interesting as some of them are, seemed sound or sensible to the Multibestos Company. Moreover, none of them fitted its case, for the circumstances were quite different. Multibestos really welcomed a competitor who patterned a product after its own. There were no hard feelings at all.

In November business-paper space appears a page, signed by the Multibestos Company's president, Bradley Dewey. The copy reads:

#### Congratulations!

Without any reservation, we are sincerely delighted to see that a prominent brake-lining manufacturer has announced a list of sets patterned after the Multibestos Tailored Sets.

Multibestos first introduced Tailored Sets because no brake lining

could possibly get maximum braking efficiency from all types of brake mechanisms. Multibestos engineers first found the way to give the replacement trade brake-lining sets "tailored to the brake," yet requiring only a small inventory and having a cutting loss incredibly low.

We regret there are so few manufacturers with extensive testing laboratories qualified by experience with car manufacturers, and with adequate manufacturing facilities to follow our lead. Tailored sets make for increased efficiency and greater safety.

We offer our congratulations to Raybestos, to the automotive trade, and to the motoring public.

Multibestos' merchandising manager, Robert J. Gray, explains:

"We spent perfectly good money to advertise a competitor; but, obviously, we didn't act out of the bigness of our heart. We were capitalizing the opportunity presented by an action on the part of our biggest competitor.

"The background history is about as follows:

"About a year ago we announced tailored sets to the replacement trade. We were the first manufacturer to sell our market material of different kinds and grouped specifically to do certain jobs.

"We were flaunting precedent. For four or five years, manufacturers had offered rigid sets—which, by the way, could be mistaken for tailored sets—and we determined upon an innovation that, we believed, would overcome certain serious disadvantages. We believed that tailored sets would overcome the trade's troubles with inventory and obsolescence. We had faith in our idea, and we knew our method was sound. The success we have enjoyed confirms our faith.

"It was perfectly logical that

other manufacturers in our industry should adopt a similar idea; and when the Raybestos company did so, it seemed to us that our story had been endorsed and strengthened—especially as it would appear to the jobber.

"The annual automotive jobbers' show is always the big changing time for jobbers; and so we capitalized upon this opportunity to congratulate Raybestos. Reports from the show fully vindicate the wisdom of our course.

"Of course, that congratulatory page was unusual. We knew that, to our salesmen, it might seem worse than unusual. And so we sold it to the men through the medium of confidential bulletins. In one of these, we said, in part:

"This campaign has been projected with the utmost attention to all the factors involved. It is a case of striking while the iron is hot—capitalizing on an unusual opportunity to sell the idea of tailored brake linings more effectively to the whole replacement market—jobber and dealer.

"In the open letter there are no hidden nor sinister meanings—no attempt to take a crack at a competitor. . . . What better endorsement than this as to the soundness of the plan you have been selling for the past year? Your jobbers, your dealers must feel a new vigor, a renewed drive on which to capitalize—yes, cash in again—on the line that has given them a year's jump on competition. . . .

"The replacement trade will more and more demand brake lin-

ings tailored to the needs of the brake, selected and grouped by the manufacturer, rather than accept material that may be selected by the jobber or his counterman."

"In another bulletin to the men we spoke, frankly, about the competitive situation between Raybestos and us. Over the signature of Executive Vice-President Charles Almy, Jr., we wrote the men, in part, as follows:

"Our advertisement will help Raybestos. We are glad of it. Raybestos already has splendid distribution throughout the country and in many localities they could not possibly take on new accounts without jeopardizing their relations with existing accounts. We want their P. G. sets to go over just as successfully as our Tailored Sets have gone over, because we can help each other, and there is plenty of room for both of us. . . .

"This memorandum is marked confidential merely because it is sent to you in advance of the appearance of our advertising. However, it represents your company's internal as well as public policy and the attitude you are to take in case of any discussion of Mr. Dewey's letter in the trade.

"I might add that before we released Mr. Dewey's letter to the trade papers, it was read by Mr. Judd, of Raybestos, and met with his approval. We asked him whether he would like to have the Raybestos name specifically mentioned, and it is with his enthusiastic endorsement that we are so doing."

### Spool Cotton Advances Dowling

Robert M. Dowling, formerly advertising manager of The Spool Cotton Company, New York, J. & P. Coats and Clark's O.N.T. threads, is now sales promotion manager of the company. Alfred B. Frenning becomes advertising manager.

### G. O. Cromwell Dead

George O. Cromwell, type designer and one of the founders of the Ludlow Typograph Company, died at Chicago last week, aged seventy-five. He was one of the organizers of the Society of Typographic Arts of Chicago, serving as a director for many years and, at one time, as a vice-president.

### Appointed by Packard Electric

B. N. MacGregor has been appointed vice-president and general manager of the Packard Electric Corporation. He has been with the Packard organization for fourteen years, having started with the sales department. He later became sales manager of the cable division and then general sales manager.

### Feeke with Ingalls Agency

George L. Feeke, for six years director of radio for Metro-Goldwyn-Mayer pictures and formerly vice-president of the Federated Broadcasting System, has become associated as director of radio with Ingalls-Advertising, Boston advertising agency.

# More Chain-Store Figures from Trade Commission

Data on Small Towns, Service and Discounts, Reveal Some Interesting Sidelights on Mass Retailing

AS the Federal Trade Commission continues to release the figures on its chain-store investigation—although many of these figures are four or five years out of date—some interesting and significant information is being developed.

Perhaps the most interesting of the statistics recently released are those dealing with the place of the chain store in the small town.

This information is admirably summarized by the Commission itself in a release. The summary is as follows:

"Chain-store systems operated approximately 20 per cent of the total number of stores in twenty-five lines of business in thirty small towns surveyed by the Federal Trade Commission in its investigation of chain stores. Most of these towns range from 2,000 to 5,000 in population and are situated in the East and Middle West. The smallest is Farmington, Me., with 1,737 inhabitants as of 1930; the largest, Williston, N. D.—population, 5,106.

"Leading kinds of chain-store business in the thirty towns, as measured by the number of stores operated, are: Variety, dry goods and apparel, department stores, automobile accessories, grocery and meat, and grocery.

"The proportion of chain stores varies between 38 and 68 per cent of total stores. There was an average of seven chain stores per town and not quite thirty independent stores per town. Between 1926 and 1931 a net increase of 103 in the number of chain stores was accompanied by a net decrease of seventy in the number of independents. This decrease in independent stores was the net result of a decrease of seventy-two stores in lines of business in which the chain stores also engaged and an increase of two stores in lines not engaged in by chain stores. Of the 115

chain stores in business on December 31, 1926, there were ninety-one, or almost 80 per cent, still in business in 1931. Of the 910 independent stores in business at the close of 1926, there were 609, or approximately 67 per cent, still in business in 1931.

"It is estimated that the total sales for the 218 chain stores doing business in these thirty towns in 1931 were \$12,156,100, or approximately \$400,000 per town. Almost half of the total stores and sales were in the food group.

## *Comparisons on Amount of Rent Paid*

"Comparison of the average chain and independent store rent together with the sales data shows that the chains can pay distinctly higher rents than independents without incurring a disproportionate expense burden, on account of their higher average sales per store. This means they have generally superior locations, and several instances were reported of chain stores displacing independent tenants because of the rent paid.

"Ninety-three of 164 reporting chain stores were represented in local civic organizations, either through company membership, manager membership, or both. Of 153 chain stores replying as to contributions to local civic and charitable activities, 126 stated that contributions had been made by the company and twenty-seven said none had been made. For a period of twelve months, they contributed a total of \$9,737.37. This amounts to approximately \$77 per store contributing."

Another report recently issued by the Commission deals with the credit and other service facilities of chain stores. This is based on a study of about 1,700 systems operating more than 8,000 stores and selling more than one and one-

# The TIMES circulation has this ADDED VALUE

SEPTEMBER A. B. C. figures show a trifling seasonal decline in all Washington Evening newspapers. But the TIMES' percentage of these combined net paid circulations is *greater than before*—a significant factor in this market of large average purchasing power.

In Washington, adequate circulation is essential. There are almost two persons in every family earning incomes. And the city ranks first in per capita net income reported. Growing Government activity is creating still more spendable dollars.

Each year, for the past five years, the TIMES has won additional readers in the city and suburbs of Washington. It is keyed to the most sound and progressive ideas in the Capital today. So, the TIMES continues to increase its influence among more than half of Washington's families.

More reasons why advertising schedules, to be effective in this area, should be placed before the readers of this newspaper.



NATIONAL REPRESENTATIVES—RODNEY E. BOONE ORGANIZATION

Nov. 30, 1933

quarter billions of dollars' worth of merchandise in 1928. It was estimated that cash sales were 90 per cent of the total sales while credit sales amounted to 10 per cent of the total.

The situation in the various types of chains in regard to credit is shown in the following paragraph taken from the Commission's letter of submittal:

"All unlimited-price variety and nearly all dollar-limit variety, and the hat and cap chains operated all their units on a strictly cash basis. In addition, 80 to 86 per cent of the chains in five-dollar-limit variety, confectionery, men's shoes, women's accessories, and men's furnishings reported all stores on a cash basis. Approximately three-fourths of the grocery chains and about two-thirds of the men's and women's shoes, tobacco, dry goods, and the grocery and meat chains also sold only for cash."

"On the other hand, all chains reporting in the musical instruments and furniture groups extended credit in all stores to all good credit risks, while, about 80 per cent of the chains in the hardware and general merchandise fields, 75 per cent of the men's and women's ready-to-wear and department-store chains, and one-half of the chains in the drug group reported all stores on a full credit basis.

"The larger chains tend to operate all stores on a cash basis or to offer credit in some stores only. Chains on any other credit basis are, in general, materially below average size."

#### *Figures on Delivery Service*

Concerning the delivery service feature the figures are also interesting.

While almost half of the chains rendered some delivery service, such chains operated less than one-fifth of the stores and accounted for less than one-third of the total sales of all chains reporting. On 88.8 per cent of the total net sales of all reporting chains, it is estimated that no free delivery service was given to customers, while the

remainder, or 11.2 per cent, was delivered free. Seven hundred and twenty-three, or almost 80 per cent of all reporting cash chains, gave no free delivery service and they accounted for about 90 per cent of all stores and sales reported by chains on a cash basis.

#### *Furniture and Musical Instruments Delivered Free*

Furniture and musical instrument chains show the greatest use of free delivery service, practically the entire sales volume of these chains being delivered free of charge to customers. Other kinds of chains showing a substantial proportion of their total volume of business delivered free of charge are hardware (38.7 per cent), department store (38.8 per cent), millinery (26.5 per cent), general merchandise (24.8 per cent), men's and women's ready-to-wear (23.8 per cent), men's ready-to-wear (24.7 per cent), women's ready-to-wear (24.5 per cent), grocery (17.0 per cent), and men's shoes (12.0 per cent).

A little more than one-half of the reporting chains stated that none of their stores accepted telephone orders in 1928. Those chains account for slightly less than one-half of the stores and sales reported by the 1,499 chains.

Of the 10,474 stores operated by grocery chains reporting to the Commission on self-service features, 1,198 or 11.4 per cent were self-service stores, while of the 32,330 stores of the reporting grocery and meat chains, 1,811 or only 5.6 per cent were operated on the self-service principle.

Another phase of the Commission's investigation dealt with the discounts and allowances in the drug trade. These figures go back to 1929 and 1930 so it is difficult to tell just how typical they would be today. However, it is fair to believe that in spite of the vast changes that have taken place in our merchandising structure, these figures at least give a broad picture of conditions as they exist at the present. Perhaps it would be better to say that it gives a broad picture of conditions as they would be

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shown by the Commission if it made a similar investigation today.

Sales made by reporting drug product manufacturers to chain-store systems aggregated in 1929 and 1930 about 39 per cent of the manufacturers' total sales, yet the chains obtained more than 70 per cent of the manufacturers' total allowances. These results are based on reports of 682 manufacturers in 1929 and 688 manufacturers in 1930 covering their sales and allowances to forty-nine chain-store systems, fifty-eight drug wholesalers, and six independent department stores.

The rates of allowances on total sales of all manufacturers to chain-store systems (4.48 per cent in 1929 and 5.19 per cent in 1930) were much larger than the rate to wholesalers (1.16 per cent in 1929 and 1.11 per cent in 1930) and also larger than those to independent department stores (2.49 per cent in 1929 and 2.73 per cent in 1930).

Of the 682 manufacturers reporting in 1929, and 688 reporting in 1930, only 237 and 256, respectively, made allowances to chain, independent and wholesale dealers. Their allowances to chain-store systems in 1929 by manufacturers granting allowances, amounted to 8.84 per cent on these manufacturers' sales as compared with an average rate of 5.35 per cent given on sales to drug

wholesale dealers by the same manufacturers, and 7.66 per cent on sales to independent department stores. In 1930, the allowances of manufacturers who reported such concessions amounted to 10.05 per cent on their total sales to chain stores while their allowances to drug wholesalers amounted to only 4.45 per cent on sales, and 7.35 per cent on sales to independent department stores.

Total allowances of \$3,450,283 as made to all dealers in 1929 by those manufacturers granting allowances amounted to 7.45 per cent of the manufacturers' sales. In 1930, the allowances of \$3,798,933 were at the rate of 7.70 per cent on sales.

Although unfortunately the figures in the chain-store investigation are out of date and many of them are subject to grave questions the results of the chain-store survey are important enough to deserve close study on the part of manufacturers. It is unfortunate that the vast amount of figures and the cumbrousness of translating Government statistics into figures for external consumption have caused such delays that some of the truly significant findings of the Commission are obscured by the time that has passed between the gathering of the figures and their release.



### Additional GM Appointments

In additional executive appointments made by General Motors Corporation, Harry J. Klingler, general manager of the Pontiac Motor Car Company, has been given the added duties of president of Pontiac. Harlow H. Curtice, general manager of the Buick Motor Car Company, was also advanced to president. G. M. Bell has been appointed sales promotion manager of the Olds Motor Works, Lansing, Mich., also a division of General Motors.

### Baral with Roberts & Mander

J. T. Baral, Jr., previously with the Proctor & Schwartz Electric Co., appliances, Philadelphia, is now advertising manager of the Roberts & Mander Stove Company, of that city.

### Has Beverage Account

The McJunkin Advertising Company, Chicago, has been appointed to handle the advertising of the Seminole Flavor Company, Chattanooga, trade-marked beverages.

### Join A.N.A.

Jantzen Knitting Mills, Portland, Oreg., have joined the Association of National Advertisers. Mitchell Heinemann, general sales manager, will represent his company in the association. The Salada Tea Company, Inc., Boston, has also joined the association, with Herbert C. Claridge as its representative. Another new member in the association is The R. J. Reynolds Tobacco Company, Winston-Salem, N. C. Camel cigarettes and Prince Albert smoking tobacco. S. Clay Williams, president, and C. W. Harris, vice-president, will represent their company in the association.

### Tinkham Heads Shoe Business

Herbert L. Tinkham, formerly president of the W. L. Douglas Shoe Company, Brockton, Mass., is president and director of the newly formed Bristol Manufacturing Company, Bristol, R. I., which will manufacture rubber and leather soled shoes. Maurice C. Smith, Jr., formerly head of the National India Rubber Company, is an incorporator of the business.

Nov. 30, 1933

## Chain-Store Sales for October

Company	October 1933	October 1932	% Chge.	10 Months 1933	10 Months 1932	% Chge.
Gt. At. & Pac. (a)	\$63,856,015	\$66,529,706	-4.0	\$541,032,213	\$593,528,955	-8.8
*Sears, Roebuck (b)	28,590,302	23,652,111	+20.9	205,656,826	210,988,705	-2.5
*Montg. Ward (c)	23,016,704	19,805,497	+16.2	137,056,245	130,434,484	+5.0
F. W. Woolworth	22,034,919	22,473,210	-1.9	192,521,818	196,574,070	-2.0
J. C. Penney .....	18,642,740	16,758,628	+11.2	133,730,135	121,292,485	+10.2
Safeway Stores (d)	17,455,840	16,361,301	+6.6	184,672,178	194,083,568	-4.8
Kroger, G. & B. (e)	16,119,227	15,672,015	+2.8	172,493,851	181,261,255	-4.8
S. S. Kresge .....	10,848,332	10,505,762	+3.2	95,536,927	96,528,792	-1.0
American Stores (f)	8,564,992	8,305,828	+3.1	89,301,054	95,651,912	-6.6
First National (g)	8,150,826	7,791,354	+4.6	60,713,294	59,350,427	+2.3
W. T. Grant .....	7,112,547	6,961,901	+2.1	58,297,956	55,606,429	+4.8
S. H. Kress .....	5,770,539	5,151,473	+12.0	47,991,876	48,595,952	-1.2
National Tea (h) ..	4,717,324	4,563,414	+3.3	52,978,250	55,616,733	-4.7
Walgreen Co. ....	4,159,075	3,662,570	+13.5	38,251,061	38,260,017	0.0
J. J. Newberry .....	2,990,111	2,957,386	+1.1	26,141,716	24,982,895	+4.6
Grand Union (i) ..	2,861,473	2,707,288	+5.7	23,354,119	25,341,658	-7.8
H. C. Bohack (j) ..	2,358,211	2,423,441	-2.7	22,175,307	24,279,987	-8.6
G. C. Murphy .....	1,993,644	1,620,267	+23.0	16,277,750	14,079,720	+15.6
Melville Shoe (k) ..	1,829,453	1,505,323	+21.5	16,904,458	17,187,097	-1.6
Interstate Dept. Sts.	1,687,580	1,776,796	-5.0	12,545,994	13,476,603	-6.9
Dominion Stores (l)	1,500,287	1,681,058	-10.7	16,593,018	19,190,315	-13.5
Neisner Bros. ....	1,295,851	1,250,925	+3.5	11,349,851	11,445,581	-0.8
West Auto Supply.	1,175,000	1,119,000	+5.0	10,231,700	9,620,600	+6.3
Lane Bryant .....	1,080,422	1,023,341	+5.5	9,349,576	9,801,593	-4.6
Schiff Company (m)	742,088	683,028	+8.6	7,316,520	7,155,582	+2.2
M. H. Fishman ...	284,180	258,063	+10.1	2,078,670	2,002,695	+3.7

\*Includes both chain and mail-order sales.

- (a)—4 and 35 wks. ended Oct. 28.
- (b)—4 and 40 wks. ended Nov. 5.
- (c)—For October and 9 months.
- (d)—4 and 44 wks. ended Nov. 4.
- (e)—4 and 44 wks. ended Nov. 4.
- (f)—4 wks. and 10 mos. ended Oct. 28.
- (g)—4 and 30 wks. ended Oct. 28.

- (h)—4 and 44 wks. ended Nov. 4.
- (i)—5 and 44 wks. ended Nov. 4.
- (j)—4 and 39 wks. ended Oct. 28.
- (k)—4 and 40 wks. ended Oct. 28.
- (l)—4 and 44 wks. ended Nov. 4.
- (m)—4 wks. and 10 mos. ended Oct. 28.

### Number of Stores in Operation

	END OF OCTOBER 1933	END OF OCTOBER 1932		END OF OCTOBER 1933	END OF OCTOBER 1932
Kroger .....	4,463	4,765	W. T. Grant .....	454	442
Safeway .....	3,283	3,380	S. H. Kress .....	230	229
J. C. Penney .....	1,469	1,477	G. C. Murphy .....	179	175
National Tea .....	1,311	1,425	Neisner .....	79	79
S. S. Kresge .....	720	721	Jewel Tea .....		
Melville Shoe .....	528	484	Stores .....	84	83
Walgreen .....	471	469	Routes .....	1,361	1,336

October sales of The Great Atlantic & Pacific Tea Company, expressed in tons, were estimated as 376,069 this year, compared with 415,654 in October, 1932. This is a decrease in quantity of merchandise sold of 39,585 tons, or 9.52 per cent. Average weekly sales in October were \$15,964,004, compared with \$16,632,427 in 1932, a decrease of \$668,423. Average weekly tonnage sales were 94,017, compared with 103,913 in October, 1932, a decrease of 9,896 tons.

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## Sunkist and Repeal

FORTHCOMING repeal constitutes a challenge for more advertising of citrus fruits. Repeal, together with the competitive progress which is being made by canners of tomato juice and pineapple juice, both bring a recommendation for increasing the already effective Sunkist advertising program, according to the annual report of Paul S. Armstrong, general manager of the California Fruit Growers Exchange.

That the advertising was effective, he points out, is evidenced by the fact that the California citrus industry came through the 1933 fiscal year with only 5 per cent less volume and 12 per cent less in dollar return than in 1932.

Mr. Armstrong believes that opportunity arises under the Agricultural Adjustment Act to formulate a sound marketing program for the citrus industry as a whole in all producing States.

**Note to Sales Managers:**  
You're pretty good at solving problems. Test your teeth on this one.

## Problem 347X:

The sales manager of \_\_\_\_\_ Company is given a new item in his line—higher in price, but better. He is asked to arrange his sales effort to make the new product's sales equal 10% of the Company's total volume.

To attempt to meet that stiff quota means to reach 520 jobbers, hold meetings of their salesmen, tell them the complicated, technical story of the new product—and do this in two weeks!

His own men are none too successful in holding the attention of jobbers' salesmen. Even if all the company executives left the home office and went on a "barnstorming" tour, they could not physically reach all the jobbers in two weeks.

Printed matter will not suffice.

## How Would You

### Solve This Sales Problem?

See Answer Page 89 in this issue of Printers' Ink.

# Purpose of Design Patents

Protection of Design, Particularly in an Article Popularized by Advertising, Gives Manufacturer Competitive Advantage

By Herbert W. Gediman

Member of the Bar of the District of Columbia

QUITE often, below the illustration of a manufactured article in the advertising pages of magazines and newspapers, there appears the notation "Design Patented." Probably every well-informed person knows that the United States Patent Office grants patents upon mechanical and utilitarian devices, and trade-marks to identify the origin and ownership of articles of commerce. The issuance of Design Patents is an activity of the Patent Office not quite so widely known, despite the fact that approximately 90,000 such patents have been granted.

There frequently comes a point when rival manufacturers have substantially the same capability for turning out an article which will satisfactorily perform its utilitarian function. If, in addition to mechanical perfection and reasonable price, an article is made beautiful by appropriate surface decoration or artistic and symmetrical contour, the ornamentally designed article will frequently be preferred over a plain one.

## *The Importance of Design*

One has only to witness the evolution of the kitchen range from a crude and cumbersome eyesore to the beautiful modern range which adorns the up-to-date kitchen. In the early days of automobile manufacture, few people paid any attention to the appearance of the fenders, instrument panels or radiators. Today the beauty of these features, irrespective of their mechanical efficiency, is a dominant sales talking point. The furnace, formerly relegated to an obscure corner in a dark cellar, has now been beautified and occupies a conspicuous position in the basement recreation room. The development of designs in bathroom appliances,

refrigerator and radio cabinets, display stands and innumerable other articles testifies to the rapid strides of art into industry.

Under the modern Design Act, a patent may be granted by the Patent Office to an inventor of a new, original and ornamental article of manufacture. The exercise of the inventive or creative faculties is required. The design must not only be new, it must also be ornamental. A design patent is granted for terms of three and a half, seven or fourteen years, at the election of the applicant, and the Government fees are \$10, \$15 or \$30, depending upon the term of years selected. This is exclusive of the fee paid to the patent attorney, who prosecutes the application.

## *Gives Monopoly During Life of Patent*

A valid Design Patent gives to the owner a monopoly during the life of the patent. His right to exclude others from copying the design and to collect appropriate damages from anyone infringing the design will be upheld by the Federal Courts throughout the United States.

Many manufacturers have discovered that new designs stimulate a demand for their products. They create a desire for the newly designed articles which renders former designs obsolete although still mechanically satisfactory. Where so large a proportion of sales is made to women, who are particularly susceptible to the appeal of beauty, this is an important factor.

In foreign countries, where tariff barriers may be erected against the products of the United States, a beautifully designed article will often overcome the crude local product, because appreciation of beauty is universal. No tariff barrier which the United States might

raise against France would ever be able to subdue women's preference for a gown made in Paris.

The gradually increasing number of Design Patents granted in recent years in all branches of modern manufacturing is convinc-

ing proof of the value of such protection. The grant of these patents by the United States Patent Office is a fitting reward to those inventors who devote their genius to advancement of beauty in industry.

### On Vincent Edwards Staff

H. H. Abernathy, formerly Texas representative for the Nu-Enamel Paint Company, Chicago, is now a Texas sales representative handling a syndicated art service for Vincent Edwards & Company, New York. C. O. Herdman, for several years manager of the radio department of the Baldwin Piano Company, Indianapolis, is the new Indiana sales representative for Vincent Edwards & Company.

### Appoints Procter & Collier

The Cincinnati Time Recorder Company, Cincinnati, making a new line of household utilities, has appointed The Procter & Collier Company, of that city, to direct its advertising account.

### With Pittsburgh Lithographer

Raymond R. Talbot has joined the sales staff of the Liberty Show Printing Company, Pittsburgh, as a technical lithographic executive.

### General Printing Ink Elects

Recently elected officers of the General Printing Ink Corporation, New York, are as follows: President, Albin K. Schoepf; executive vice-president and treasurer, Perry D. Richards; chairman of the board and secretary, Thomas A. Lenci; vice-chairman, George W. Ullman; vice-presidents, Robert W. Brown, Clarence M. Coate and Frederick H. Farnsworth; assistant treasurer, John K. Conant, and assistant secretary, Carl A. Person.

### Has Wrisley Account

United Advertising Companies, Inc., Chicago, has been appointed to handle the advertising account of the Allen B. Wrisley Company, of that city, manufacturers of Olivillo and other soaps.

### Represents Canadian Paper

*The Farmer's Advocate*, London, Ont., has appointed Knox, Inc., New York, to represent it in the Eastern United States.

# YOU CAN PROMISE DELIVERY

**and mean it...with Air Express**

► Air Express can take shipping time entirely off your list of worries. It's fast—fast enough to reach California from New York in 22 hours. It's dependable, too. Pick-up and special delivery in leading towns keep shipments under one responsible organization all the way. Duplicate receipts give a positive

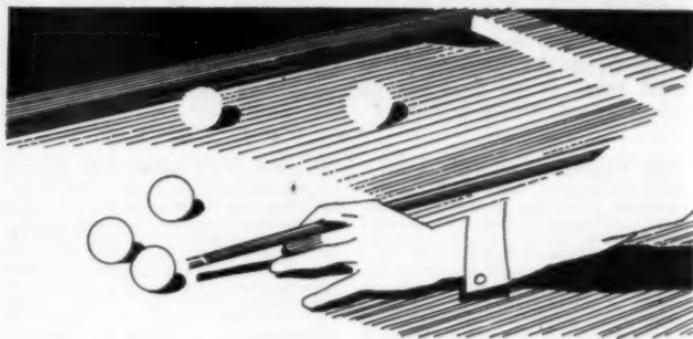
check on both shipment and delivery. 85 principal cities can be reached direct by air, and there are fast, coordinated rail schedules connecting with 23,000 other Railway Express Agency points. Get full details on the low rates and high-speed schedules from your Railway Express Agent today.



**AIR EXPRESS**  
DIVISION OF  
**RAILWAY EXPRESS AGENCY**

INCORPORATED

Nov. 30, 1933



## Call Your <sup>big</sup> Shots!

In selling we hear much on importance of Big Shots.

Who is a Big Shot? How big must a Shot be to be a Big Shot? What makes a Big Shot big?

Isn't the answer to all this a simple one? A Shot need be big enough only to make or break the order to be a Big Shot.

At least that's how it stands in the advertising business.

A magazine salesman worked through agency and advertiser right up to the top. After two years it looked as though he "made the list." But down at one end of the table a little unimportant-looking fellow just hired by the advertiser from a big competitor produced a memo of results from the magazine for that competitor.

This is a true story. The magazine went off the list. Who was the Big Shot—big enough to kill the order?

Or another true story. Three agencies, neck-and-neck for a nice fair-sized New England account. So neck-and-neck it was hard for the boss to decide. In his dilemma he played golf with the S. & A. Mgr. of a very large national advertiser. Which did he think the best of the three? Neither. A fourth was called in. Who was the real Big Shot?

The safest policy is to cover all the Shots you possibly can who might be either known or suspected Big. In advertising that means cover the *Merchandisingly Alert*—readers of P. I. (17,513) and P. I. M. (13,212). You're more likely to find them there, and more of them, than any other one place.

No other merchandising magazine, or general magazine either, shows anything like an audited 37% of its advertiser (manufacturer) subscribers to be Major Executives (above the Sales Manager). But you never can tell when the real Big Shot, so far as you are concerned, will be in the others (largely Sales and Advertising Managers).

# Here Is Administration's Position on Copeland Bill

(Continued from page 11)

dividual opinions as to the value of the drug in question. If there is no consensus of opinion among them, obviously the claims cannot be shown to be contrary to it, and action cannot be taken under the Federal Food and Drugs Act. Where else but to the medical profession would it be possible to turn for advice as to the value of a medicine?

I have noted a certain amount of hysteria concerning provisions in the new bill which are lifted from the old bill. For example, Section 15(b) has called forth the comment that "United States attorneys should not be compelled by the law to proceed at the mere direction of the Secretary, without evidence being submitted satisfactory to the Department of Justice." Yet this provision is stated in essentially the same language as in the present law.

Some of those who oppose the Copeland Bill are basing their objection on the allegation that the new measure will require the disclosure of proprietary medicine formulas. The fact is that the bill merely requires a disclosure of the name and quantity or proportion of each medicinal or physiologically active ingredient.

The patent laws fully protect anything new or novel about a drug product itself, or about the process for the manufacture of a drug product. Furthermore, the com-

position of drug products is rarely kept a secret. Anyone interested can usually find out all he wants to know by having the drug product analyzed.

It is my conviction that the Copeland Bill carries no provisions that will hamper the honest manufacturer. I am sure that ethical manufacturers, and they are in the majority, will see in the Copeland Bill, if they take the trouble to study it carefully, a means of increasing their own business. The bill most certainly does aim to make life extremely unpleasant for fakers and for the unscrupulous competitors of legitimate manufacturers in the food, drug and cosmetic industries.

*I fully recognize the fact that the passage of the Copeland Bill, exactly as it has been drafted, would be a practically unheard-of thing. Consideration by the appropriate committees of Congress invariably leads to changes, more often helpful than otherwise.*

I have said before, that the proponents of the bill have no pride in authorship and no illusion as to its perfection. While there can be no meritorious objection to modification of those provisions of the bill which may promote clarification, the Department will have no patience or sympathy with amendments designed to emasculate it or to nullify provisions intended to afford public protection.

## Our Head Is Still Up

FERD T. HOPKINS & SON  
*Gouraud's Toilet Preparations*  
NEW YORK

*Editor of PRINTERS' INK:*

Your circular letter of the 24th in reference to the Tugwell Bill at hand. The writer does not believe you deserve any particular credit

for advocating changes in the Tugwell Bill. In fact, if I was in your place, I would want to follow the example of the ostrich and bury my head in the sand, rather than brag about tinkering about a piece of legislation that is fundamentally unsound.

The present Food and Drug Law

now clarified by court decisions presents an adequate foundation for any improvement or added public protection that is necessary. Any attempt to monkey with the Tugwell Bill in place of advocating revision of the existing laws is not in the interest of the manufacturer and advertiser.

The laws as they exist today afford ample protection if they are properly enforced. The Government cannot point to one reasonable existing abuse which cannot be corrected under them.

Where the Government has had a justifiable case and has lost the decision they have been defeated through their own inefficiency. This cannot be charged against the existing laws.

The sponsors of this bill deceived everyone during their preliminary interview as to its actual purpose, and there is no indication that you will not be further deceived by playing around with them. You must remember this bill is not Tugwell, or the Department of Agriculture, or the two New York statesmen who are sponsoring it in the Congress, but is in reality the "brain child" of our organized medical politicians.

Months ago the manufacturers in this country gave the thought of revision serious consideration and made every effort possible to find some way in which the bill could be revised and made practical, and their combined efforts did not produce any degree of reason out of this chaos.

I fail to see why anyone interested in the advertising business keeps on fooling around with a monkey wrench, and I am afraid that your efforts will arouse very little enthusiasm on the part of manufacturers who have given this matter thought.

C. R. DEFREEST,  
Advertising Manager.

[Mr. DeFreest's motion is overruled. PRINTERS' INK sees no reason for following the example of the ostrich. The Roosevelt Administration is trying to revise the present Food and Drugs Act—probably to the extent of having an entirely new

## \$43,897,605 New Money for Nebraska

Through the Agricultural Adjustment Administration, the Federal government will pay to Nebraska farmers the following amounts:

Hogs .....	\$21,130,000.00
Corn .....	13,582,000.00
Wheat.....	9,185,605.00
Total.....	\$43,897,605.00

This is new money. It is in addition to what Nebraska farmers will receive for what they have produced this year. Over \$25,000,000.00 of it will be received and spent within the next six months. The wheat money is coming in now.

### No Ordinary State

Repeatedly we have pointed out that Nebraska is no ordinary farming state. It is a leader in corn, hogs and wheat—the three sources from which these allotment millions will come. It ranks

Second in winter wheat

Second in number of hogs marketed

Third in production of corn.

### Reach These Farmers

through their most trusted farm paper—their bread and butter farm paper, *The Nebraska Farmer*. Four out of five of them subscribe for it, and we will wager you the amount your campaign in *The Nebraska Farmer* will cost that three out of four of them prefer it to any other farm paper.

The advertiser who does not spot his expenditure in states where this farm allotment money is going to be received, will commit an awful waste.

## THE NEBRASKA FARMER

LINCOLN, NEBRASKA

"Nebraska's Farm Paper Since 1859"

SAM R. MCKELVIE, Publisher

law based on the Copeland Bill—and something is bound to be done about it. PRINTERS' INK, as a journal for advertisers, concedes it to be its duty, therefore, to co-operate to the end that a decent, fair and equitable law shall be passed—one that will punish the crooked advertiser and at the same

time give the decent and honest advertiser a fair break. We do not believe that our efforts along this line are properly to be characterized as "fooling around with a monkey wrench." But if they are, so be it. Throwing brickbats and eloquently calling hard names is not the way to win this fight.]



## Publishers Consider Copeland Bill

**T**HE National Publishers' Association has appointed a committee of its members to work on the Copeland Bill. The committee opposes the bill in its present form, and is now working on a statement which will be released in a few days. Members are: Lee W. Maxwell, Crowell Publishing Company,



### Bruce Swaney Back with Cadillac

Bruce Swaney has returned to the Cadillac Motor Car Company in Detroit as a member of the sales promotion department. In addition to his previous work with Cadillac, Mr. Swaney has been associated with automobile advertising for a number of years.

### Represent "Arkansas Farmer"

The *Arkansas Farmer* and its affiliated radio station KARK have appointed the following advertising representatives: Powers and Stone, Chicago, in the West; Knox, Inc., New York, in the East; Carl Schulenberg, St. Louis, in the Midwest, and Dillon & Kirk in Kansas City.

### Kline Heads Ink Concern

C. Erle Kline, formerly sales manager of the Frederick H. Levey Company, has incorporated the Capitol Printing Ink Company, with offices at 806 Channing St., N. E., Washington, D. C., to manufacture black and colored inks.

### To Start Electrical Journal

The *New England Electrical News* will start publication in January, 1934. It will be published monthly for electrical dealers, contractors and wholesalers by the Electrical News Publishing Company, 250 Stuart Street, Boston.

### Joins Rosenberg Agency

Harry S. Heustis, formerly with the *New York American*, and later president of the *West Coast Amusement News*, Los Angeles, has joined the Arthur Rosenberg Company, New York advertising agency.

chairman; Robert L. Johnson, *Time*; Stanley R. Latshaw, Butterick Publishing Company; O. J. Elder, Macfadden Publications, Inc.; R. E. Berlin, International Magazine Company; Fred A. Healy, Curtis Publishing Company; John Sterling, *McCall's*, and Roy Dickinson, PRINTERS' INK.



### Kellogg Switchboard Markets Display Device

The Kellogg Switchboard & Supply Company, Chicago, has formed a sales promotion division which will market a new illuminated display for use by advertisers in point-of-sale merchandising.

### Accounts to Fairall

The American Landscape School, Des Moines, has appointed Fairall & Company, of that city, which formerly handled its advertising, to again handle its account. The appointment is effective December 1. Magazines and direct mail will be used.

### Hamburger with Kresge

Edward Hamburger, formerly advertising manager of the Holeproof Hosiery Company, has been appointed advertising manager for the basement of the Kresge Department Store, Newark, N. J. He was also formerly advertising manager of Bulova Watch Company.

### Managing Debevoise Sales

The Debevoise Company, Brooklyn, N. Y., has appointed Julio F. Sorzano as general sales manager. He formerly was with Standard Varnish Works and Toch Brothers, Inc., of New York, and The Arco Company of Cleveland.

### Appoints Thompson

All advertising of Royal Baking Powder, Royal Gelatin and Fleischmann Yeast in Central American countries and the Far East will be handled by the J. Walter Thompson Company after December 1.

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## Baby Loses Place on Labels

**M**ANUFACTURERS can't always foresee who will be the customers of a new product. An experience of the Beech-Nut Packing Company, Canajoharie, N. Y., offers a case in point.

Some months ago it brought out a line of baby foods. The term "baby food" was featured on the labels as also was a picture of an infant. But the line proved popular with adult convalescents who, however, did not take kindly to any

suggestion that they were being indulged in infants' diet.

Because of this objection and the broader market which it is evident exists among adults, the picture of a baby has been removed from its prominent place and the description of the product has been changed to "strained foods."

The company doesn't say whether this concession to grown-ups is expected to bring objection from its infant consumers.



### Death of John C. Conway

John C. Conway, for the last ten years associated with the Edward Stern Printing Company in Philadelphia, died at that city recently. He was also associated for many years with his three brothers in the Conway Theater Ticket Agency, Philadelphia. Mr. Conway was fifty years old.

### Appoints F. A. Held

F. A. Held, who formerly conducted the Held Advertising Agency in Seattle, has been appointed manager of *The Fortnightly*, Seattle.

### Represents Business Papers

Howard M. Thompson, formerly with Butterick business publications and the McGraw-Hill Publishing Company, has joined the advertising sales staff of the Domestic Engineering Company, Chicago. He will cover the Central Western territory for its publications.

### Candy Account to Weiler

D. Goldenberg, Inc., Philadelphia, candy, has appointed the Sidney H. Weiler Advertising Agency, of that city, to direct its advertising account.

## Agency Seeks Account Executive with Food Experience

**A**N established, well-financed, 4-A Agency in the East, in the \$1,000,000 a year billing group, desires to add to its staff a seasoned Account Executive. He must have sufficient experience to step immediately into client contact, development, and new business work. He now may be engaged in similar work in an agency of his own or an organization in whose set-up he recognizes distinct personal limitations. He may or may not be able to bring any accounts with him, but he must bring ability that is now producing results and the confidence of advertisers who may be legitimate prospects for this agency.

He should have practical experience in the advertising and mer-

chandising of food and drug products. A man between 35 and 42 is preferred—married—ambitious—energetic—willing to live out of New York. We want no " prima donna" but a well-balanced man who works well with "well-balanced" people—and can prove it.

The man who measures up will probably be paid a starting salary of \$5,000—plus a share in the agency's profits. His progress will be limited solely by his ability and capacity. Please apply in writing, giving full information regarding your personal background, advertising experience and present activities. (Applications treated in strict confidence. Our organization knows of this advertisement.) "B," Box 133, Printers' Ink.

Nov. 30, 1933

PRINTERS' INK

A JOURNAL FOR ADVERTISERS

*Founded 1888 by George P. Rowell  
John Irving Romeo, Editor and President  
1928-1929*

1938-1955  
PRINTERS' INK PUBLISHING CO., INC.  
185 MADISON AVENUE NEW YORK

**ROY DICKINSON**, President  
**Douglas Taylor**, Vice-President  
**R. W. Lawrence**, Secretary  
**DAVID MARCUS**, Treasurer

**Chicago Office: 6 North Michigan Avenue,  
GOV'R COMPTON, Manager.**

Atlanta Office: 87 Walton Street,  
Geo. M. Kohn, Manager.

St. Louis Office: 915 Olive Street,  
A. D. MCKINNEY, Manager.  
Pacific Coast: M. C. MOGENSEN, Manager.

Pacific Coast; M. C. MOGENSEN, manager,  
San Francisco, Los Angeles, Seattle, Portland.  
  
Issued Thursdays. Three dollars a year, \$1.50  
for six months. Ten cents a copy. Canada  
\$4 plus duty \$2.60 a year. Foreign \$5 a year.  
Advertising rates: Page, \$135; half page, \$67.50;  
quarter page, \$33.75; one-inch minimum, \$10.50;  
Classified, 25 cents a line, minimum order, \$3.75.

**G. A. NICHOLS**, Editor  
**C. B. LARRABEE**, Managing Editor  
**R. W. PALMER**, Associate Editor  
**ANDREW M. HOWE**, Associate Editor  
**BERNARD A. GRIMES**, News Editor

**H. W. Marks**      **Arthur H. Little**  
**Eldridge Peterson**      **S. E. Leith**

Chicago: P. H. Erbes, Jr.  
London: McDonald & Evans

NEW YORK, NOVEMBER 30, 1933

**Advertising and the U. S.** Those advertisers who have been holding down their future commitments to 30-day schedules on account of uncertainty about the Government's attitude toward advertising may just as well perk up and go ahead with confidence.

The Government is not against advertising. Furthermore, there is nothing in the present Government policies which is going to have much effect on it one way or the other.

PRINTERS' INK makes this statement advisedly and in full cognizance of the fears and uncertainties created by the proposed new Food and Drug Bill—and also not forgetting for a minute that some of the Administration's bright young men have academically and somewhat dogmatically declared ad-

vertising to be an economic waste.

A careful study of conditions in Washington made for PRINTERS' INK failed to turn up one single indication that the Government's policy is one of gradually curtailing advertising.

The Washington situation in this respect was well stated by W. M. Kiplinger, business writer, in an address before the recent A.N.A. meeting.

"The Government itself," he said, "will do nothing to curtail advertising. If the volume is lessened it will be because of a development of new conditions and natural forces. It isn't a question which can be answered from Washington."

As to the Food and Drug Bill, this is sure to be revised so as to remove any cause for undue apprehension on the part of advertisers. It may even be beaten. The article by Administrator Campbell, elsewhere in this issue, ought to be enough evidence for anybody along this line. The battle isn't over yet, of course, but it has progressed to a point that gives assurance that the Government is not by any manner of means fighting advertising *per se*.

It would seem, then, that advertisers would do well to forget about their timidity and be bold for a change.

If they are seeking a possible alibi for inaction, they will need something stronger than Government opposition which does not exist.

Civil  
War

On December 6  
there begins in  
Washington a

hearing that is going to have vital influence, good or bad, upon advertising for a long time to come.

We refer to the hearing on the advertising code.

There are rumors to the general effect that the session may degenerate into a knock-down-and-drag-

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out fight between or among opposing elements.

PRINTERS' INK doubts their authenticity. Nevertheless, the fact that they are being circulated with such an apparent air of authority is disquieting.

It seems, for instance, that there are sharp differences of opinion between the agents' group and the advertisers. Some weeks ago the agents, led by the American Association of Advertising Agencies, promulgated a code for submission to the NRA. The Association of National Advertisers immediately attacked this document and smote it hip and thigh.

Some rather hard names have been called by both sides. Efforts have been made to reconcile the differences without a great deal of progress being made. And it now seems that the whole controversy may be thrashed out before the short-tempered and sometimes hasty General Johnson.

This in a way is an absurd spectacle that even has within it certain elements of tragedy. For, if it is to be accepted as a final fact that these two great and important bodies cannot get together upon a plan for carrying on with a reasonable degree of harmony, the future of advertising is going to be punctuated with a lot of bold-face question marks.

PRINTERS' INK simply refuses to believe that this argument is going to be fought through on any such basis as seems to be indicated by some of the alarmist reports.

If we are wrong about this, then advertising must expect to have a code written by the Government. Somebody must decide the thing and somebody will.

On page 37 in this issue there is a dispatch from Berlin borrowed from the New York *Times* which describes rules for the conduct of German advertising set down by Dr. Goebbels. Enough said.

The times are out of joint, probably to a greater degree than when that statement was first uttered.

To every age there has been given its measure of woe; if one generation cannot profit by the mistakes of the past, then of a surety all is futile and footless in this world. There comes a time, after sufficient scores of generations have passed and gone, that man can no longer in justice bewail the times, but must admit in sadness that the fault is his own; for he has wilfully failed to improve his method of acting toward his fellows, even in respect to the little things of life that count so much.

Representative of the beginnings of evil in society, politics or business, are the following: Smart, too smart, practices; trickery; sculduggery; petty meanness; sniping.

In a perfect state no laws would be needed, for no man would be subject to a desire to profit at the expense of others. All laws, in intent, should be framed to protect those who want to go straight, against the machinations of those with a warped or crooked purpose.

It scarcely becomes any of us to protest innocence of wrong-doing. The sober fact is that the state of man is not perfect and none can stand spotless under the searchlight of truth. He who doth protest too much is immediately suspect. Removal of the mote in our own eye will lead to clearer vision.

The bearing of all this on the business of advertising is apparent and very real.

#### *Letting Us Eat Cake*

We pause in our considerations of mere sordid commercialism to chronicle a recent forward step negotiated by the Committee on Foods of the American Medical Association.

This august body, for the first

time in history mark you, has "accepted" cake as a food. After due deliberation and investigation, it has granted the use of its seal of acceptance in behalf of the angel food cake concocted by a New England bakery chain.

It is gratifying to know that it is now possible to indulge this excellent dessert in the serene knowledge that it will be all right with organized medicine. It is, moreover, inspiring to have this evidence that the A.M.A. is unselfishly carrying on the great purpose of "protecting the public and the medical profession against deception by untruthful or fraudulent health, nutritional or other advertising claims for foods."

The angel food cake situation, prior to this action, had become practically a social crisis.

But there is an even greater significance. This achievement is no inconsiderable contribution to the long existing situation wherein, although many physicians are unable to make a decent living because of "over-crowding" of the field, only a very small minority of the people of this country receive the benefit of medical care. Pending adjustment, through education of the public, of this ineptitude of medical distribution, those in need of medical supervision may simply help themselves to a slice of chocolate angel food.

---

***The Hair  
of the Dog*** "About lobbying," confides a grizzled ex-Congressman, "I learned by being lobbied. And I found out that it's a lot less serious to be called upon by a solemn committee representing forty protesting business men than it is to find yourself on the public-enemy list of four indignant women."

From the camp of those who oppose the Tugwell Bill comes the muttering, "Foul play!" Pro-Tugwell lobbyists, the mutters

complain, have gone up and down the land, lobbying not the legislators before whom the bill will come up for enactment, but the legislators' constituents—especially the women.

And thus—the indictment proceeds—these emissaries of an unjust cause have sought to arouse a prejudice that, operating through back-home pressure on the lawmakers, threatens to silence the voices of legitimate industries.

Let us admit that, in part at least, the complaint is justified.

So what?

Well, we rise to inquire, what's wrong with those voices right now?

If, as the complainants concede—and not only concede but insist—if advertising is a proper and ethical and economic expedient with which to disseminate facts, if it is the logical means by which to convey to the public information that the public ought to have, why is that expedient now idle? Why are the voices now so mum?

They have a story to tell. But they're whispering it.

They rise to protect advertising against paralysis; yet they see no use for it now in the task of telling the people the merits of their case. They dip into the war chest to finance propaganda; but they overlook, it seems, the most effective vehicle by which their arguments could be conveyed to the people back home.

They understand the power of advertising. They have used it. Yet in their crisis it lies neglected.

Let's hear them speak up, out loud. Let's hear them carry their cause, too, to the voters.

At times it is wise to fight fire with fire. But here is a challenge to fight it, not with a weapon that undermines and destroys, but with a method that commands respect and builds confidence and wins public support.

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*Just published-*

## DISTRIBUTION TODAY

by O. FRED. ROST

**Marketing Editor, *Business Week***

335 pages,  $5\frac{1}{2} \times 8$ , \$3.00

See this new book for straightforward, practical answers to such questions as:

- what, in the final analysis, is meant by "distribution," where and when does it begin and where does it end?
  - what is wrong with the process of distribution now employed, when each of its steps is analyzed on the basis of the broadest interpretation of the term?
  - what are the different policies of distribution, what agencies are available to a manufacturer and what functions are performed by such agencies?
  - what factors are involved in the cost of distribution, what is the present cost and at what cost can distributive services be bought from existing agencies?
  - where may the influence of the Recovery Act be expected to be felt in distributive activities and what direction will it probably take?

Contents

## **—Where Distribution Stands Today**

- ## 1. Some Aspects of Distribution under the National Industrial Recovery Act. 2. What is Distribution?

## II—Important Agencies of Distribution

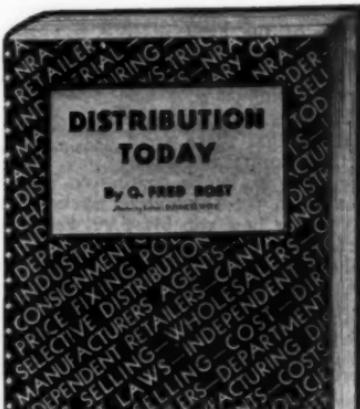
3. The Wholesaler.
  4. The Independent Retailer.
  5. The Department Store.
  6. The Chain Store.
  7. The Voluntary Chain.
  8. The Mail-order Houses.
  9. Truck Distribution.
  10. The Supermarket.
  11. The Canvasser.
  12. The Manufacturers' Agent.

### **III—Important Policies of Distribution**

13. Consignment Selling. 14. Selective Distribution. 15. Direct Industrial Selling. 16.

## IV—Distribution Costs and the Price Problem

17. Factors in the Cost of Distribution.  
18. The Cost of Distribution. 19. Some Pricing Policies and Price Fixing.



**McGRAW - HILL ON - APPROVAL COUPON**

McGraw-Hill Book Co., Inc., 330 W. 42nd St., N. Y. C.

Send me Post-Distribution Today for 10 days' examination on approval. Within 10 days of receipt I will send \$3.00, plus a few cents for postage and delivery, or return the book postpaid. (We pay postage on orders accompanied by remittance.)

Name \_\_\_\_\_

**Address** ..... **Position** .....

City and State..... Company ..... PI-11-30-33

# The Little Schoolmaster's Classroom

THE Bowery Savings Bank of New York City has shown about as good a grasp of what a bank can do to make its advertising interesting as any financial institution in the country.

Bowery's attitude toward advertising is interesting in that the bank uses space not only to create new depositors, but, also, to talk to its own depositors. As a matter of fact its series is headed, "Explaining Your Bank to You," the idea being that this is addressed to Bowery depositors and if other people want figuratively to look over their shoulders, then it is all right with the bank.

One of the most interesting advertisements in the series is reproduced on this page.

There is no question about it that there are in this country literally thousands of lambs waiting to be sheared in the speculative market. No matter how roughly they were parted from their thick coats in 1929, they are all ready to part with what little wool they have begun to accumulate.

Obviously, this is a problem for the bank because money that is sunk in speculative orgies does not go into savings banks. It is a well-known phenomenon of depressions that, during the early stages, at least, savings bank deposits increase as speculators take their money out of risky propositions.

To be sure at times this accumulation of money can be embarrassing to a bank but at other times it owes it to its depositors to have them conserve their resources.

Therefore, the advertisement which the Schoolmaster commands

EXPLAINING YOUR BANK TO YOU . . . A BOWERY SAVINGS BANK SERIES

## The World's Shortest Memory



OUR months ago—just before the stock market recouped itself, as it happened—we discussed in one of these Bowery Savings Bank advertisements the nature of a savings bank's duty in guiding its depositors.

Should it attempt to remove them from stock speculation, we asked, or should it let them follow their own course?

Our conclusion was and is that people have a right to speculate with their own money, and that if they have no quickly forgotten the lesson of September 3rd-5th, 1929, they are not likely to remember the uniqueness of a single bank. The world's shortest memory belongs to the man or woman with the greatest money.

Soon afterward, the stock market dropped, margin calls began to flood the city, and a new crop of lambs—not so large at that of 1929, of course—were clipped.

Mother "sheep" are not flying quite as thick now, nor are the prophets so sure of themselves.

But they will be back enough, persistent as ever—and will find plenty of followers.

Will you be one of them?

Will you respond when the call of "easy money" echoes through the city again?

It's entirely up to you. There is nothing your savings bank can do for you except to invest safely such money as you care to entrust us.

But are you different—or are you're different from the millions of others of whom James Thrush Adams, historian and economist, said recently in the New York Times:

"I could cite perhaps hundreds of cases in which the disaster which has overtaken families was chiefly due, not so loss of jobs or pay, but to loss of principal and to debts incurred in speculating on margin . . . no one will ever be able to innocent of this lesson."

Perhaps you are different. Once in a while somebody comes along and knows where to stop. But you are likely to do a lot better for yourself (and for your family) if you avoid taking chances. At the beginning of October the Bowery Savings Bank divided a quarterly dividend of \$1,000,000 among its depositors. This was the 22nd dividend in a series started a century ago, back in 1834—a series that four wars and six depressions could not interrupt. The men, women, and children who received this sum have lived through the long, hard, lean years, methodical in a far more profitable than taking chances.



## BOWERY SAVINGS BANK

A Mutual Institution. Founded in 1834 To Serve Those Who Save

1st Street Corner

130 Bowery

FIRE ALARM at 140 Bowery



this week is an excellent example of good advertising and public service combined.

Incidentally, Robert W. Sparks, assistant treasurer of the bank, has an interesting angle on this advertisement. He says, "It is our feeling that there is not much use for us to advise the average lamb against foolish speculation right after a pronounced market drop. He knows, then, what a mistake he made. But if we can remind him of these matters a few months later, when he has all but forgotten the unpleasantness of his recent escapade, we may be able to slow down his rising enthusiasm and postpone action until he has thought things over a little."

\* \* \*

Advertising men have found many opportunities to indulge in

er's

fiction which employs some phase of their daily work as a background. An unusual and recent contribution is the new book of which Frank J. Price, Jr., associate manager of the Prudential Insurance Company's advertising department, is the author.

This book, "Mind Wreckers, Ltd." creates a Charlie Chan of the insurance business in the person of Charles Barrow. The hero is an insurance detective, or claim investigator who, in a series of stories, searches out and brings to justice those who would defraud his principals.

Such a volume, that so pertinently observes what goes on in a man's business, should put to rest

the expressions of pity from those who view the everyday life of a business man as a humdrum existence.

\* \* \*

In acknowledging orders The Stille-Young Corporation has a printed form with a typewritten fill-in which reads as follows:

Gentlemen:

Thank you very kindly for your order No. 1079 dated September 15th, for the following material:

TRU-VALU PENETRATING STAIN  
GUARANTEED PURE SHELLAC

To be shipped promptly.

It will be of interest to you to know that your order is of direct benefit to approximately 200 people.

## *Here's the Answer to Problem Set Forth on page 75*

(If you missed reading the "problem," turn back to it now.)

**The Company is U. S. Industrial Alcohol.**

**The product is Super Pyro "200."**

**The medium used is Visomatic, "The Illustrated Voice of Business."**

**T**HIS is the way the problem was solved: The complicated technical sales message about Super Pyro "200" was made into a Visomatic production (the new sound and sight medium). Inexpensive duplicates of the film and the voice disc were airmailed to principal Western Union offices, which are equipped with Visomatic machines and trained messenger operators.

Within two weeks, 520 jobbers and their sales forces had seen and heard the dramatic presentation of the new product.

**R**ESULTS: This is what Mr. L. C. Gillette, sales manager, has to say: "It looks as though sales for Super Pyro "200" will approximate 30% to 50% over our regular Pyro. You will recall that this company would have been satisfied if we had obtained 10% for the first year. There is little doubt in any of our minds that the Visomatic film, together with your cooperation, have been responsible to a large extent for this unexpected increase in business."

If you have a sales message to deliver (and what company hasn't) you should investigate Visomatic, the new sound and sight medium, at once.

Send for descriptive booklet, or write, wire, or telephone for immediate demonstration.

*Something new has hit the selling world—INVESTIGATE*

# VISOMATIC

VISOMATIC SYSTEMS, INC.

New York  
292 Madison Ave.

Chicago  
360 N. Michigan Ave.

Detroit  
5850 2nd Blvd.

## I Need the Backing of a Progressive Advertising Agency—

through which to present my advertising and publicity plan which would stimulate national betterment as well as improve conditions within this country's fifth largest industry. The Chairman and three important members of the Code Committee controlling this industry have asked me to present my plan to their Committee.

From numerous contacts made, I am led to believe my plan will be accepted. But this plan must be presented through a progressive agency.

Are you that agency for which I am looking? I am an account executive under forty years of age. Would prefer a commission arrangement with small drawing account until billing developed later this winter.

References and full data will be furnished only to thoroughly responsible agencies.

**"C."** Box 134, Printers' Ink.

## Some Agency Could Profitably Pay This Man \$25,000

He would bring in new viewpoints gained from

1. 14 years in publishing business with two largest firms. Sales—Advertising — Editorial — work have engaged his talents to the full. His contacts with advertising agencies have been numerous as client in newspaper and radio campaigns.

2. 5 years in specialty food business as executive — manager — salesman. Direct contact with retail and wholesale trade have imbedded complete tie-up of advertising with sales, for results.

3. 6 years with advertising agency man who taught him the fundamentals of copy, layout, plans, placing, production.

This man would prove big asset to any agency just as he has to his present firm. Write him to come and talk it over with you. **"D."** Box 135, Printers' Ink.

Our payroll has increased 75 per cent since September, 1932.

When the minimum wage scale was announced under the National Industrial Recovery Act, our lowest office wage was equal to the minimum announced, and our lowest factory wage was 33½ per cent greater than the minimum announced.

We buy from approximately 700 different firms employing over 100,000 people. As we increase our sales volume, we naturally increase our purchases.

More money coming in for ourselves and employees means more money in circulation—more money being spent.

The "vicious circle" of unemployment is rapidly breaking down.

The co-operative circle of business improvement is unquestionably building up.

We do our part—and will continue to do it.

**THE STILLE-YOUNG CORPORATION.**

That kind of order acknowledgment is good not only in times like these, but good at any time. The Schoolmaster feels that in almost no case does a buyer ever say that his order means anything but a direct profit to the company that sells to him. If he can translate it into people employed, which means further consumption and more buying power, he has accomplished a real job.

\* \* \*

A map of comparative geography which has come to the Schoolmaster's attention suggested to him a quiz among people as to the distances between various cities. Of course he found answers more nearly accurate where mileage between Eastern cities was concerned and more guessing involved with reference to distances between Western cities.

The map and table are part of "Selling the West," a marketing study issued by the National Broadcasting Company. This study throws into sharp relief many facts about the West (and west in this study doesn't begin until one gets into the Mountain States), which demonstrate how varied are the factors which marketing planners

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must take into consideration.

For example 84.4 per cent of families on the Pacific Coast live in one-family dwellings, as against 56.7 per cent in New England and 58.6 per cent in the Middle Atlantic States. The figure jumps to 88 per cent in the Mountain States. The latter territory, though largely given over to farming and ranching, has its farmers buying most of their requirements from local grocers. The farmers secure very little in the way of foodstuffs from their farms.

Another detail that interested the Schoolmaster is in information presented to prove how misguiding the "average American" can be when this composite of all of us is employed to measure market possibilities. For example, how about the cowboy as a consumer? He is no "average" the Schoolmaster learns; to the contrary he is quite a special case. So also is the sheep rancher, and the miner.

Life is very different among various sections of the West itself where wants vary according to territory and occupation. This does not prove, as "Selling the West" ably presents, that mountain westerners do not buy nationally advertised brands but that their buying habits require careful study on the part of those who, planning to sell them, live a more varied social life. On the Coast, however, where there is a broader demand for more than the fundamental needs of food, clothing and shelter, the prospective seller has to consider climatic conditions and other factors which exercise their influence on consumer demand. These factors are analyzed so that market planners far removed by miles from the West, may have a better knowledge of how to plan to better their distribution.

\* \* \*

From time to time the Schoolmaster comments with mild amazement on the growing number of advertisers who are willing to admit that there are other people in business besides themselves, and after admitting it, point out that these competitors are good, too. After the somewhat bitter Donny-

**MERCHANDISING  
SALES PROMOTION**  
**FRANK H. WEEKS**  
**299 MADISON AVE**  
**NEW YORK, N.Y.**

## COPYWRITER

*with Ideas that Click*

Only a second-rater at slick or frothy copy, but where sales are the test, well, you know the answer. Experience aplenty—with agencies on consumer copy, with manufacturers on trade paper and sales promotion copy. Author of a book on merchandising. And old enough to know how—39—with the best yet to come . . . Address "G," Box 137, P. I.

## Wanted— Agency Creative Executive

Important agency in Central West wants man who knows copy, layout, plates, art, type, etc., in addition to being a capable executive. Must be exceptional man with big experience. Must have samples of very recent "big time" advertising created under his direction. We know many men who are nearly "good enough" for this job but we want the one man who can fill it in the manifold ways necessary. Address "E," Box 136, Printers' Ink.

*A*  
**DECade of RADIO  
ADVERTISING**

By Herman S. Hettlinger

A book of facts in a field in which very few are available. Types of concerns advertising, types of programs, seasonal use, use on different days of the week and hours of the day-these and many other practical problems are keenly analyzed for the benefit of agency and advertiser whose job is to build an effective radio program.

**\$3.00**

**ADVERTISING  
AGENCY  
COMPENSATION**

By James W. Young

The complete Young Report on these vital questions: Should the commission system be changed? Is the agency profit too high? Whether you agree with the conclusions or not, Mr. Young's facts are of importance and interest to every advertising man.

**\$2.50**

Now in a new, cheaper edition.  
**THE UNIVERSITY OF  
CHICAGO PRESS**  
5750 Ellis Avenue, Chicago

brook Fairs engaged in by certain well-known automobile advertisers, it is refreshing to see more of the spirit of friendly competition growing up.

H. E. Ising, assistant secretary, American Surety Company of New York, has sent the Schoolmaster a recent advertisement of his company. The Schoolmaster passes this copy along to the Class without further comment:

Over \$245,000,000 was paid in losses under Fidelity and Surety Bonds alone during the past few years by stock Surety companies.

Much of this vast sum immediately became available for trade and industrial purposes.

These classes of coverages are always necessary for the advancement of the country's commerce and finance. They reach every line of human endeavor.

We specialize in Fidelity and Surety Bonds, Burglary, Forgery, Plate Glass, Automobile, and other classes of Casualty Insurance, and would welcome the opportunity to serve.

**AMERICAN SURETY COMPANY  
of New York  
(Organized 1884)**

**NEW YORK CASUALTY  
COMPANY  
(Organized 1890)**

**New Addresses**

Batten, Barton, Durstine & Osborn, Inc., Boston office now located at 178 Tremont Street. Frank Hatch, vice-president of the company, is manager of the Boston office.

M. C. Mogensen & Company, Inc., publishers' representative, New York office now at 21 East 40th Street. The Portland office, due to change in street numbering, now carries the address 520 S. W. Sixth Avenue.

Caroline Fleischer, located for many years at the Art Center, New York, which is vacating its building, is now located at 400 Madison Avenue, that city.

**With "Druggists Circular"**

V. T. Whalen, formerly of the staff of the *American Druggist*, has joined the *Druggists Circular*, New York, as a special representative.

## Still Making Good For This Premium Seller

Last May when the Hagerstown Leather Company ran their first advertisement in PRINTERS' INK MONTHLY we were told:—"Returns from our ad have been far in excess of our hopes."

More advertising followed. Now, several months later, we hear from this premium advertiser again, this time saying, "We are having some splendid inquiries from our advertising in PRINTERS' INK MONTHLY."

No better evidence of a publication's worth than the continued responsiveness of its readers.

TO TORONTO  
MONTREAL  
WINNIPEG  
LONDON

**GIBBONS KNOWS CANADA**

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CALGARY  
EDMONTON  
VANCOUVER

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# Classified Advertisements

Classified ads cost seventy-five cents a line for each insertion. Minimum order five lines costing three dollars and seventy-five cents. Classified ads payable in advance.

**First Forms Close Friday Noon; Final Closing Saturday**

## BUSINESS OPPORTUNITIES

**TYPOGRAPHIC REPRESENTATIVE**  
A large, reputable, splendidly equipped typographic organization offers an unusual opportunity to someone who controls typographic work in vicinity of New York. All replies held strictly confidential. Box 534, Printers' Ink.

## HELP WANTED

**Salesmen**—Experienced in photo-offset printing, Commission. Wonderful opportunity for right man. Our salesmen have been informed of this ad. Box 544, Printers' Ink.

Men to sell rubber plates and engraved rubber printing rollers. Knowledge of wall paper and fancy wrapping paper printing necessary. Give full details first letter. Commission arrangement. Box 542, P. I.

**Wanted:** Advertising man with Agency experience able to direct all work on account, contact and develop new accounts. Opportunity for hustler in small, growing Middle West Agency. Box 537, Printers' Ink.

**Sales Manager** to build and manage a national direct-to-the-consumer sales organization for Illinois Company. Salary and bonus. Give age and complete selling and managing experience. Address Box 538, Printers' Ink, Chicago Office.

Advertising film salesmen, free to travel, can make huge earnings selling low priced quality talking films to retail merchants. Company nationally known Hollywood producer. Compensation straight liberal commission. State sales experience. ADVERTISING FILMS. Box 176, Hollywood Station, Los Angeles.

## Do You Intimately Know the Advertising Executives in Your Locality?

If so, we have a few exclusive franchises available to high-calibered salesmen to represent the successful Bastian Line, leaders for forty years in advertising specialty and indoor sign field. A depression-proof clientele that will pay you commissions averaging ten to fifty dollars daily, can be established in a remarkably short time. This fascinating work, you can make your life's task, our first-string men having an average service record of a score years. Bastian Bros. Co., Dept. I, Rochester, N. Y.

## POSITIONS WANTED

Expert layout man, Letterer and Designer, 13 years' experience, national, mail-order and direct mail accounts, salary secondary, go anywhere, age 37, married. Address Frank McElhaney, Pomeroy, Pa.

"Offset," expert organizing offset departments for printers; from past experience can assure successful production in quality and quantity by practical mechanics. Box 536, Printers' Ink.

**Artist—Art Director** available for N. Y. agency. Ai figure and general advertising illustration, layout and art direction. 10 years' experience on prominent accounts. Box 541, Printers' Ink.

**I WANT A POSITION WHERE CREATIVE COPY COUNTS**  
College man, 24; agency trained, experienced—copy, premium promotion, production, publicity. Box 539, Printers' Ink.

**YOUNG MAN** familiar with plate work and layouts, capable of rendering animal and figure subjects, wishes position with magazine or Agency as art director or assistant. Box 540, Printers' Ink.

**COPY WRITER**  
now active in agency seeks new connection. Diversified experience creating sound selling copy publications and radio, plus 4 years news field, 3 years public relations. University graduate, 29. Box 543, Printers' Ink.

## a real ADVERTISING SALESMAN •

wants offer from publisher, agency or advertising printer. Thoroughly competent designer, writer and producer of catalogs, sales promotion and advertising campaigns. A creative resultful salesman, has 10 yr. background of newspaper, magazine and direct mail advertising production and selling. Age 32, married, Univ. graduate. WRITE Box 535, P. I.

**CAUTION**—Applicants for positions advertised in PRINTERS' INK are urged to use the utmost care in wrapping and fastening any samples of work addressed to us for forwarding. We are frequently in receipt of large packages, burst open, in a condition that undoubtedly occasions the loss of valuable pieces of printed matter, copy, drawings, etc. Advertisers receiving quantities of samples from numerous applicants, are also urged to exercise every possible care in handling and returning promptly all samples entrusted to them.

PRINTERS' INK acts in the capacity of a forwarder, as a matter of service to both subscriber and advertiser, and where extremely heavy and bulky bundles are addressed in our care, it will be appreciated if the necessary postage for remailing is sent to us at the same time.

**Adohr**  **Greets the Fleet  
on Navy Day!**

CAN YOU READ THE ADOHR MAN'S MESSAGE TO THE NAVY? (See Key Below)



All Adohr dairy products have "Quality you can trust!"  
But none more so than Adohr Golden Guernsey Milk.

It is rich. Richer in cream.  
Richer in solids. Richer in flavor.  
Richer in taste.

In fact, our milk goodness tempts you to drink the daily share of milk all day long—recommending just for adults. A full quart of Adohr Golden Guernsey Milk is particularly effective. For it has more of nearly all the elements that make milk

your most important single food.

The Guernsey label with pig emblem on the bottle says to your guarantee of authentic Golden Guernsey Milk. It also indicates the tonic and requirements of the American Guernsey Cattle Club.

Try Adohr Golden Guernsey just today. Try it slowly. Really taste it! Then you'll know why Adohr Golden Guernsey is beginning to be the largest in demand. Telephone Long Beach 640-1250 or Washington 2-1135.

**ADOHR**  
GOLDEN GUERNSEY-MILK  
*Choice of "Quality you can trust!"*

## Code in Copy

IN the midst of much discussion about codes, California contributes the above interesting use of a code in timely copy which tied in with the celebration of Navy Day. No doubt adults as well as the youngsters had a lot of fun deciphering the messages run up by the signal corps of each ship. This they could do with the signal flags as reproduced in the key to the advertiser's own message.

This advertisement was one of many which appeared in newspaper advertising in the territory adjacent to the Long Beach Navy Yard. Other advertisers saw the oppor-

tunity to win good-will by messages of greeting and tribute.

Adohr did this and more. It ingeniously capitalized on the Navy's own system of imparting information, gave the public something interestingly instructive and usable, and at the same time, stimulated enough curiosity on the part of many readers to interpret a sales talk.

Incidentally, if copy writers had to depend upon the Navy's signal flags to get their messages over, those clients who cry for brevity would have little cause for complaint.

### Corporation to Publish "Trust Companies"

The business of *Trust Companies*, New York, published for many years by C. A. Luhnow, who died July 19, will be conducted hereafter by a corporation now being formed, all of the stock in which will be owned by the Luhnow estate. Glen B. Winship will be editorial and business director and Christian C. Luhnow, son of the founder, editor.

### Hotel Group Advances Swafford

Charles K. Swafford, advertising and sales director of the National Hotel Management Company, Inc., has been elected vice-president of that company. The company operates the New Yorker and Lexington in New York; the Book-Cadillac in Detroit; the Netherland Plaza in Cincinnati; the Van Cleve in Dayton, and the Ritz-Carlton in Atlantic City.

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»    »    »    ***THINGS  
NOT MENTIONED IN  
A PRINTING BID!***

*A*CTUAL figures on a printing bid never tell the complete story! There are too many essentials to better printing service which cannot be priced in actual dollars. Yet, these mean much to the buyer of printing.

For instance, there is no charge in our estimates for Experience—and this certainly is important! Likewise, our estimate does not mention such essentials as: Pride in workmanship—reputation for good printing—care given to details—record of keeping promises—reliability in making delivery dates.

*A*LL these are important in saving you time and money. They are necessarily a part of better printing service. You can be certain of all these by calling Charles Francis Press FIRST.



**MEdallion 3-3500**



**CHARLES FRANCIS PRESS**

461 EIGHTH AVE., at 34th ST., NEW YORK

Nov. 30, 1933

THE  
CHICAGO TRIBUNE  
LED ALL CHICAGO  
NEWSPAPERS IN DEPART-  
MENT STORE ADVERTISING  
DURING THE FIRST 11  
MONTHS OF THIS  
YEAR



**Chicago Tribune**

THE WORLD'S GREATEST NEWSPAPER

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